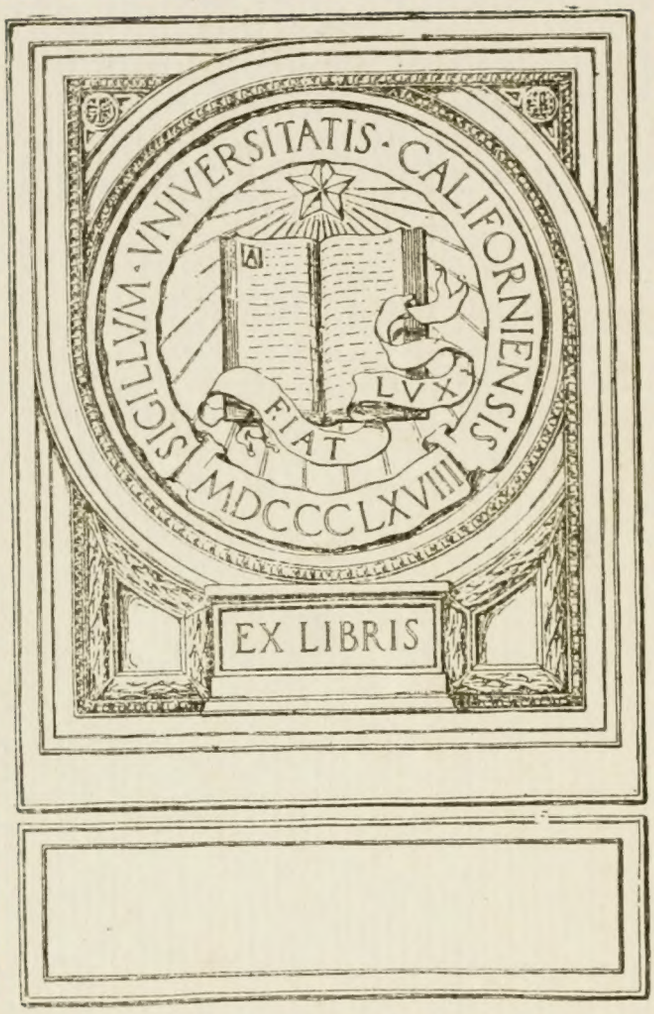

SIGILLVM · VNIVERSITATIS · CALIFORNIENSIS
FIAT LVX
MDCCCLXVIII
EX LIBRIS

Financial Advertising

for Commercial and Savings Banks,
Trust, Title Insurance, and
Safe Deposit Companies,
Investment Houses

green

by E. St. Elmo Lewis
Advertising Manager, Burroughs Adding Machine Company

Illustrated

Indianapolis:
Levey Bros. & Company
Operating U. S. Bank Note Co.
MCMVIII

HF 6161
.B2L4

COPYRIGHTED, 1908
BY
LEVEY BROS. & COMPANY
INDIANAPOLIS, IND.
ALL RIGHTS RESERVED

502867

To M. R. L.

Reader—Just a Moment

THE AUTHOR believes in introductions, although the fashion seems to have fallen somewhat into desuetude, because the reader through such formula has an opportunity to know what sort of mind he is about to commune with, and thereby be in temper for what is to follow.

The Value of Introductions

This is necessary, for a book has an individualism and is often accepted as an intimate. We take it into our family circle. It may go to and from business with us. It may be our companion in the quiet hours of midnight when the rest of the world is forgotten, helping us to form opinions which may make or break our reputation for sensibility if not for sanity among our neighbors.

A book is therefore a hazardous entity to both reader and author—especially to the author, because he may be defined to say many things that he had no intention of saying, since language is at best but a mutable means to an end, and is only potentially exact.

The reader has the author at his mercy and can interpret him as he will.

The writer of this volume lays no claim to literary embellishment, and will be quite satisfied to let the ideas and experiences, the suggestions and the recommendations set forth in the following pages, stand upon the basis of practicability.

The Author's Ambition

For weaving finely spun subtleties, where the shadow of a letter may be the sole distinction between one interpretation and another, the author confesses to little patience, much less to capacity. He has no ambition to have the reader say of any part of this book, "How well that is done!" but he has an ambition to have him say, "That is a good idea and I'll try it," and a greater ambition to have that same reader after the trial affirm that the sentiments herein contained helped him to make more business at a profit.

Naturally, all of the helpfulness is not in the letter of the text.

There must be some suggestive quality in any book that is worth while.

The following pages are not intended to be a complete exposition of every known phase of the financial advertising problem. It is

intended in many cases to do nothing more than prod the lazy ambition to bring printers' ink into a more effective activity in the canvass for new and better business.

There is Science in It

Necessarily the author has been compelled to discuss the beginnings of advertising knowledge. Latterly he will have to deal with the art of writing advertising, and this art will be found to be in the application of certain defined principles of the science of the mind. He is of the opinion that there is a great deal of science, more or less accepted as such by the initiated, which must be brought into play in all successful advertising.

The author is perfectly well aware that in this he runs counter to certain popular dogmas, accepted unquestioningly by men who by successful practice and wise precept, are looked on as authorities. This condition confronts any man who inquires seriously or even superficially into the verities of any art, and in this case the author expects no better treatment than the iconoclast generally receives at the hands of those who eschew all but old systems and old paths.

It is consoling, however, to believe that the reader to whom this book will mean the most, is he who has a mind open to the good, as a Mussulman's window is open toward Mecca. Between him and the author, therefore, let there be an understanding at once.

The author does not wish to pose as an oracle. He has set down here his own experience of fifteen years, and more, the concrete results of thousands of pioneers.

It is the reader's privilege to take of it what his American common sense considers good—let him try it in the alembic of his experience, and we will leave the rest to those critics who would rather be wrong in the present and right with the past, than reap the rewards of him who keeps step with the procession.

It may also be admitted here, in the very beginning of these talks together, that all advertising, whether it be for banker, retailer, wholesaler or manufacturer, is alike in essential particulars.

The Fetish of Dignity

There is a fetish before whom all Experience halts and trembles; it is called, for want of a better name, "Dignity." This fetish has produced more bad advertising than any other single error in the scheme of business. It has been the sole, solitary refuge of Incompetence when it has been fronted with Experience.

In reality all business is alike in the one great fundamental of all successful advertising, that trade is sensitive—it goes only where it is invited and stays only where it is well treated. There can be no difference so far as advertising is concerned. That lies inherent in all business. The difference lies between the kinds of advertising, which are due to the differences between the classes to whom any business must look for success.

The Battle with the Wastebaskets

There will always be those adventurers who will endeavor to make a nickel do the work of a dollar, with the inevitable result of all errors, disappointment. It may not be counted how many doomed dollars marching to the drum beats of the Penny Wise, have gone out to do battle with the Wastebaskets!

And there will always be those advertisers who will consider that advertising is mere guesswork and that their guess is as good as anyone's. In reality if such would place advertising on the same plane as any other endeavor, they would realize that a thing about which they knew so little should receive the most generous appropriation for experience. In an experience covering fifteen years and an expenditure of many thousands of dollars, the author has met but a few who did not make the mistake of buying their own experience and after the loss of money and some initiative, turn to the experienced advertiser for support and direction.

The author has little hopes that anything he may say in this book will lead any man who has had no experience in advertising to see or support the force of his suggestions and arguments. Let such a man, however, read, then proceed along his own line of endeavor and afterwards measure the results and the lessons of his experience by the side of the recommendations made here, and without fear of successful contradiction, it is promised that the results will prove the rightness of the conclusions in these pages.

The Dogma of the "Successful Advertiser"

This egotistic skepticism is due to the blind faith in the dogma that successful advertisers are born and not made, which leads so many to experiment to find out whether the goddess of advertising presided at their particular birth, when the ultimate lesson comes that it is much easier, much less expensive, to learn from those who have made a success of advertising.

Necessarily a part of this book is theory. Without theories we may never have any practice, any progress.

These things are self evident. Yet sapient souls at every stage of the progress of advertising, cry "theory" to anything that has not been measured by their thumb rule of personal experience. The advertiser without a theory and without the backbone to try it, will never make a success because he will always be doing something that everybody else has done better, and such can have but little part in the discovery of new methods, new business or new ideas.

Great Servants of the Commercial World

The men who blaze the trails through the forests of unknown things, the men who fight the battles with doubt and ridicule, the men who give their best brains and best strength to protect the ignoramus from his ignorance, and the bullheaded from his dotage, are just as great servants of the commercial world as the men who come along afterwards and lay the rails, plant the factory, count the returns.

The author wishes to take occasion to thank collectively the 3,119 bankers, brokers, advertising men, printers, artists, and publishers who have contributed so much of the experience which this book attempts to reflect. He had planned to mention many by name, but found that such a process would needlessly enlarge the work and serve no practical purpose in giving the suggestions authority.

The author is also greatly indebted to Mr. A. M. Glossbrenner, vice-president and manager of Levey Bros. & Company, the publishers, for a courteous, patient and practical assistance in the trying processes of manufacture; to the authors of many of the books mentioned in the bibliography for their generous and fraternal permission to quote and reproduce from their works.

Having thus made it apparent that the following pages may not be worth reading, the author trusts that the business public will overcome prejudice and embark on a journey that he found not only profitable but enjoyable and diverting in the making.

E. ST. ELMO LEWIS

109 Pingree Avenue
Detroit, Michigan, U. S. A.
November 17, 1908

CONTENTS

CHAPTER I

ADVERTISING FROM THE HISTORICAL SIDE 26

Th Beginnings of Advertising—The Crier of Wares—The Town Crier and Auctioneer—The Testimony of Pompeii and Herculaneum—The Booksellers as Advertisers—Advertising in India, China and Persia—Heraldry as Advertising—The Public Crier in England—In France—The First Advertisements in the Early Prints—Shift, the First Ad Writer—"Journal General" D'Affiches—Dr. Johnson and His "Idler"—The First Commercial Advertising—From "The London Times"—Early Advertising in America.

CHAPTER II

THE BANKER'S DUTY TO THE PUBLIC 47

The Skeptic—The Growth of the Printing and Publishing Industry—The Inevitableness of Advertising—Analysis of Our Selling Conditions—Napoleon and the Newspapers—The Change of Attitude Towards Advertising—The Public's Demand—Safety the First Duty—The Ideal Banking Condition—The Special Favor Method of Advertising—What Creative Advertising Can Do—Getting at the Cash Money of a Community—The Speech of Mr. Carson Hildreth, Nebraska Bankers' Association—No Longer a Merely Negative Tone—The Borrower as Well as the Depositor is Now Given Care—Teaching the People What to Do—Ex-Governor Francis—Banker in Politics—The True Patriot—Economic Questions—The Young Man on the Ground Floor—The Fatal Error of Letting Well Enough Alone—The American Bankrupt and False Sentiment—The Government by Ignorant Fear—Public Confidence and the Teachings of the French Revolution—The Danger of Bad Teaching—A Work for the American Bankers' Association.

CHAPTER III

HOW TO REACH THE PEOPLE 72

How Shall We Advertise—Advertising is Not a Gamble—The Science in Advertising—Ruskin's Definition of Science—Psychology and Art—The Economic Waste of Failure—The Use of Scientific Knowledge—It Makes the Art of Advertising More Precise—Attract, Interest and Convince—The Agent Who Changed the Complexion of the Pages—The Crowd and Its Characteristics—The Individual and the Crowd—The Diversity of Our Characteristics—Communities and Cities Differ as Men—Analyzing a Local Condition—The Language of Our Appeal—Words and Their Significance.

CHAPTER IV

ESSENTIALS OF GOOD ADVERTISING; ATTRACTING THE ATTENTION 95

First of Three Essentials in Successful Advertising—The Blind Heads

of the Old Days—Subjective Methods Limit the Appeal—The Attractive Qualities of Beauty—What is Beauty?—Attention Value of Color—The Force of Black Display—A Photograph May Tell Too Much—Lessons to be Gleaned From Other Arts—Art Reflects Apparent Rather Than Real Truth—What is Composition?—What is an Idea?—Ideas Capable of Being Illustrated—The Laws of Type Display—The Art of Reading and the Advertiser—Analysis of Different Advertisers.

CHAPTER V

ESSENTIALS OF GOOD ADVERTISING; AWAKENING THE INTEREST 125

Necessary for the Possible Customer to be Interested—The Mental Laws Must Be Obeyed—The Point of Contact—The Things People are Interested In—Prof. James' Definition of Power—The Knowledge of Human Nature—What it Meant to Balzac, Thackeray, Irving, Hawthorne, and Others—Money Saving and Its Universal Appeal—The Principles of Retail Advertising—Fallacy of Subjective Advertising—The Business Card Fallacy—The Impotence of Figures—Analysis of Different Advertisements—The Interesting Experience of the De Kalb (Texas) Exchange Bank.

CHAPTER VI

ESSENTIALS OF GOOD ADVERTISING; CREATING THE CONVICTION 162

Conviction the Absolute Essential of Successful Work—Rousing to Action—The Man Who Despises Theories—Practical Men and Their Answer to the Theory of Advertising—No Man Can Escape the Necessity of Thinking or Doing Something—Advertising Much Like Oratory—You Must Demonstrate to the Most Open-minded Men—The Receptive State of Mind—The Over-nice Use of Words—Webster's and Choate's Style Compared—The Lure of Price—Starting at the Right Point of Contact—The Power of Figurative Speech—People Not Naturally Attentive—The False Quantity of Numbers—Illustration of Apperception—People Do Not Want New Ideas—Mere Egotism of Expression—The Failure of the Funny Man in Advertising—"Exaggeration" by Henry C. Selfridge, Formerly of Marshall Field & Co.—Snap and Vigor—Affirmation Frequently Repeated—Strength of Catch-line—Using the News of the Hour—Forcing the Possible Buyer to Sign—Prof. James on the "Source of Action"—Making People inquire for Other Advertisements.

CHAPTER VII

SUCCESSFUL ADVERTISING; ITS PERSONALITY 178

The Power of Personality—The Personality of a Corporation—The People Back of a Venture—Banking Not a Mechanical Process—Political Creeds and Personalities—Times of Storm Bring Out Personality—Personality and "Style"—Determining the Style by the Choice and Arrangement of Words—Enthusiasm and its Magnetism—Why Good Men Fail—Our Misplaced Faiths—False Ideals of Style—The Vulgar Conventions—The Ego in Successful Advertising—The First

Person Singular—How We Strive to Express Ourselves—Why We are Strongest When We Do—The Public's Faith in Individuals; Its Lack of Faith in Corporations—Human Nature the Keynote—The Lessons to be Learned from 1905 and 1906—Analysis of Illustrations.

CHAPTER VIII

USING THE LOCAL NEWSPAPER 206

The Value of the Daily Paper—The Good Newspaper—The Newspaper in the Large City—New York as a Criterion—Selecting Dailies in Which to Advertise—Putting News in Newspapers—How to Measure a Newspaper's Influence—Educational Advertising in Newspapers—The Interests of the Day—Influence on Panics—Keeping in Touch With the Public—Using the Reading Columns—The Country Local Paper—City and Country Conditions Compared—Comparison of Actual Newspaper Advertisements.

CHAPTER IX

THE BANKING AND FINANCIAL "TRADE" PRESS IN FINANCIAL ADVERTISING 228

Two Kinds of Trade or Class Publications—The Free Reader Editorship—The Way Some Publications are Run—The Want of an Editorial Policy—False Basis of Appeal—The Wall Street Journal—The Standpat Doctrine Leads to Revolution—Education of Bankers—Timidity and Hesitation—The Way Out for the Banking Publication—Analysis of Typical Publication—Polite Graft in Banking Circles—The Whole Case Up to the Banker—The Silly Special Number—The Absurd Rates—The Illusive Circulation—Some Interesting Figures as to What Bankers Read—What They Think of What They Read—The Logic of Circulation—Typical Bank Advertisements in Class Papers—The Right Kind of Advertising in Bank Papers—The Country Banker—Collection Business.

CHAPTER X

THE USE OF GENERAL MEDIUMS 251

What is a "General Medium?"—The Number and Kinds of Publications in America—General Medium of Limited Interest—Differences of Appeal—Analysis of the Fields of Usefulness—Why People Require More Publications—Prominent Publications and Their Characteristics—Class Papers and Their Value—How to Judge a Medium—Getting Action—The Mail Order Banker—Advertising Rates—How Rates are Figured—Handling Illustrated Copy for Monthlies—How One Monthly Goes at the Question of Rates—The Mediums That Have Paid Best—The Importance of Good Company in Financial Advertising—How to Get at Circulation.

CHAPTER XI

HOW MUCH SPACE TO USE AND WHAT POSITION SHOULD IT HAVE—THE MATTER OF RATES 280

How Much Space—What are You Going to Spend?—Newspaper Ad-

vertising—Big Space or Small Space—Frequency of Insertion—The Value of Repetition—The Minimum of Space—Position Important to the Small Advertisement—William S. Power on Persistency—Position in the Magazines—Space and Rates—The Rate Cutter—What it Costs to Publish a Paper—How the Rate is Determined—Editorial and Business Expenses—The Trading of Space—The Rates to You and to Others—Advertising Agencies—The Best Position in a Newspaper for the Different Kinds of Financial Advertising—Positions Explained—Analysis of Some Examples of Good and Bad Positions—Weekly Magazines—Cost of Extra Position—Study the Publication Before Determining Your Position.

CHAPTER XII

STREET CAR ADVERTISING, OUT-OF-DOORS ADVERTISING, SPECIAL PUBLICATIONS, THEATER PROGRAMS, ETC. . . 297

Advertising Should Go Where the People Are—The Street Cars as a Medium—Size of Cards—Positions in Cars—Who Can Use Space—Particular Kinds of Copy—Analysis of Different Suggestions—The Evolution of a Successful Street Car Card—The Selection of Car Lines As Important as the Selection of a Newspaper—Some Good and Bad Examples—What Street Car Advertising Costs—What Some Savings Banks Say—The Experience of a Trust Company—What a Baltimore Bank Found Out—Intelligent Use of Street Car Advertising Coming—Investigate at First Hand the Kind of People Whom You Will Appeal To—The War Against Billboards—What They Have Done to Richly Deserve the Condemnation—Enlightened Public Opinion—Tacoma, Washington—The American Civic Association War—Judge Welch (Superior Court of Santa Clara County, California) and His Opinion—Up to the Billboard People to Regulate Their Work—What They Say for Themselves—Better and More Artistic Posters—Reasonable and Equitable Regulation—Cost of Poster Work—What it Costs to Cover a Territory—The "Copy" for Billboards and Its Characteristics—Earl of Belcarres—School and College Publications—Theater Programs.

CHAPTER XIII

THE ADVERTISING NOVELTY, ALMANACS, CALENDARS, SCHEMES, ETC. 320

Experience Against the Novelty—A Poorly Organized Business—Poor Selection of Novelty and Poorer Selection of System of Handling—Views of the Needs of the Novelty Business, by Herbert H. Bigelow—Has the Novelty "Made Good?" is the Question—Not Enough to Sell the Merchandise—How Their Use Could be Improved—Reaching the Parents Through Gifts to School Children—Careless Generosity Makes Unappreciative Recipients—No Answer to "What Pays Best?"—You Can Specialize Too Much—Calendars—The Kinds—Make It a Practical Calendar for a Business Man—Know to Whom You Give Your Calendars—How to Distribute Them—An Experience With Calendars—The Bank Almanac—The Kind That Has Paid—Rural Communities and Their Response to the Almanac—How to Distribute it Effectively—The Little Savings Bank—The Foolish Niggardliness of Some Poli-

cies—How to Keep Your "Box Lists" Alive—Getting New Accounts Through the Birth Announcements—Souvenir Post Card Craze and How It May be Used—Weddings—Combination Deposit and Check Book—Leather Books—Blotters and How to Prepare and Handle Them—Be Generous—The Transferable Money Order and Certificate of Deposit—The Souvenir Program Fake—How the Special Edition and the Souvenir Grafters Work—An Expose of a Labor Union Graft—Some Particular Cases.

CHAPTER XIV

THE SPECIAL PLACE OF THE BOOKLET AND FOLDER 353

The Little Book—Almost All Booklets are Too Large—Unwieldy Beauty—The Lessons Taught by the First Book Printers—The Law of Margins—Some Scientific Principles of Proportions—George French's Observations—The Books of Aldus—The Elzevirs—Pickering's Books—Why Importance Attaches to the Form of a Book—The Important Originality of Form—Mere Expensiveness—Gorgeous Ignorance—Obtaining the Result—Distinction and Difference—Good and Poor Taste—Faces of Type—Discussion of Examples Good and Bad—The Japanese Style—The Unity of Two Pages—The Decoration of a Book—The Art—Illustration—Harmony of Performance and Purpose—Paper, Type and Color—The Booklet Position Midway Between Publication and Letter—The Office of the Booklet in Trust Company Advertising—Safe Deposit Advertising—Tomb of Type.

CHAPTER XV

THE HOUSE ORGAN AS APPLIED TO FINANCIAL ADVERTISING 392

The Banker Wants a Lot for His Money—Comparison of Methods—The Little Paper of Your Own—Easy Going for the First Two or Three Months—Application of the Idea to a Rural Community—Experiences From Cashiers—Effective Methods of Handling a Monthly Paper—The Way a Small Bank Solves the Problem of Editing Its Paper—Making the Paper Interesting to the Local People—Typical Contents for an Interesting Paper by Pages—The Use of Illustrations—Press Clipping Bureaus—The Printer Who Can Make it Look Like a Paper and Not a Circular—The Syndicated Papers—Ancient Anecdotes and Old Jokes—The Typical Arrangement and Contents of a Syndicate House Organ—Some Facts and Figures About the Returns and the Profit of Publishing a Little Paper—Co-operating With the Syndicate Manager to Make Your Advertising Effective—Arranging With School Teachers for Debates—Another Chance for Educating Your People—War With the Fake Mining and Investment Schemes—Accepting Local Advertisements—Does it Pay? in the Long Run—The Distinct Field of House Organ Usefulness—Make it Talk About People and Not About Things—The Circulation of a House Organ—Large Houses Have Daily Papers to Voice Their Opinions—The Big Bank Can Use House Organs and Will—A Greater Field Than Has Yet Been Covered.

CHAPTER XVI

PERSONAL, CIRCULAR AND FORM LETTERS AND THEIR MISSION 421

The Charm of the Personality in a Personal Letter—Spontaneity and Flowing Diction—President Hadley—The Weakness of Business Letter Writing—The Evils of Superficial Rules—Bad Teaching From Set Forms—A Letter More Personal Than an Advertisement—Must be More Than a Personally Addressed Advertisement—A Letter is an Intimate Thing—Analysis of the Parts of a Letter: Opening or "Approach," Argument and Persuasion—The First Person Singular—The Great God "Brevity"—The Short Say-Nothing Letter vs. the Long Interesting Letter—The Fallacy of Considering Brevity Synonymous With Conciseness—A Letter to a Farmer—Cant Phrases—Not Yourself But the Other Fellow—The Ready Letter Writer Attitude—How to Make it Personal—Merely Clever Letters and Why They Do Not Get Confidence—Examples—Earnestness is Not Enough—The Merit of Boldness—The Striving After the Graces of Literary Finish—How a Trust Company Uses Letters in Its Follow-Up—Analysis of the Letters—The Side Stepping of Obvious Questions—Comparisons With the Letters From Cleveland, Fittsburg and Elsewhere—Examples of Letters: Checking Account; Value of Certificate of Deposit; Savings Account; Urging Work for the Bank—How a Cashier Worked for His Town—A Letter to a Farming Community—Getting Depositors—A Trust Company's Letter—A Competition Letter—Other Examples.

CHAPTER XVII

ARRANGING, SYSTEMATIZING AND HANDLING LISTS OF POSSIBLE CUSTOMERS 451

Working Out Lists of Customers—The Value of Lists—Prices That Have Been Paid for Lists—The Cost of Names From Advertising—Names in Different Lines of Financial Advertising—Mailing Lists Grow: Cannot be Obtained at Once—Loose Leaf vs. Card Index Methods—Simple Form of Inquiry Card—Indexing Your Lists: A B C; Geographical; Lines of Business—Vocations—Tab-Cards—The Story of a Minnesota Banker—Developing a Record of Business With the Card Index Methods.

CHAPTER XVIII

PLANNING AN ADVERTISING CAMPAIGN 463

The Importance of a Plan—How the Retailer and the Manufacturer Operate—The Three Essentials—What Do You Want?—Time and Preparedness for Good Copy—The Study of Your Possible Customer—Typical Analysis of Banking Proposition—A Plan for Spending $1,000 a Year—The Methods of a Southern Bank—Banking by Mail Planning—The Weakness and Strength of Knowing How, Why, When and Where.

CHAPTER XIX

SYSTEMATIZING THE WORK OF ADVERTISING 474

When Modesty Was Made a Virtue—The Cant of Criticism—The Sys-

tematic People are Those Who Concentrate—The Egotism of Success—What is System—Definition of Good System—The Weak Man: The Powerful Man: The Merely Strong—System in Handling Inquiries—Impressions Made by a Lack of System—Comparisons of Methods—Systems That Get Facts—The Power to Look Facts Square in the Face—The Necessity of Having Facts and Figures to Confound the Pessimist—The Advertising Manager Must Protect Himself—System Should Have No Exceptions—The Lesson of System is Patience—The Wonderful Success of the "Other Fellow"—President Roosevelt's Instructions to the Keep Commission—Le Conte's Definition of Evolution—The Strategy of a Campaign of Advertising—The Plan Based on Systematized Data—What Systems are Essential—Caring for Names of Possible Customers—Recording Returns from Mediums—A Follow-Up Method Form Letter System—Handling Names by Lines of Business or Occupation—Rules for Handling the Mail and the Files—Costs, Stock and Low Water Mark Records.

CHAPTER XX

THE MAIL ORDER IDEA APPLIED TO THINGS FINANCIAL . . 508

Reasons Why the Idea is Good—Brief History of the Growth of the Method—Facts and Figures About Our Savings Methods—Need of Education in Saving—The Beginning of the Cleveland (Ohio) Trust Company—How It Has Grown to a Total of Over 70,000 Depositors—The Part Four Per Cent and More Has Played in the Banking by Mail Advertising—The People's Savings Bank of Pittsburg, Pa., the First to Apply the Principle—The Reasons, by Edward M. Powers, Jr., Who Prepared Some of the First Campaigns—The Opposition of Those Who, Not Knowing, Cannot Understand—How a Banker in a Small City in Illinois Saw the Light—Why Can Four Per Cent be Paid—Weak Reasons by Those Who Pay It—Ignoring a Generation of Three Per Cent Banking—How the Small Country Bank Can Apply the Idea—How Little Banks are Drawing Money Away From Big Centers—The Small Advertisement in the Large Publication—The Kind of Mediums to Use—What to Say—The Proposition We Must Make—The Planning of a Campaign—How to Handle the Inquiry—Answer Questions—Don't Dodge Them—The Follow-Up of a Five or Six Per Cent Proposition—Confidential Inquiry Blank to Get Information About Your Possible Customers—Find Out What the Possible Customer Wants to Know and Give it to Him—Answering Letters by Form Paragraphs—Keeping in Touch With Depositors—Certificates of Deposit Plan—Form Letters Used by Leading Banking Concerns—Foolish Cribbing of Banking-by-Mail Advertising—Comment on Typical Banking-by-Mail Advertisements—The Use of the Coupon-Booklets Used by Mail Order Banks—Handling Your Lists—Classification of Lists—Forms of Deposit Tickets—Some Simple Rules for Handling the Detail.

CHAPTER XXI

GETTING RESULTS FROM THE ARTIST AND ENGRAVER . . . 560

The Picture Language—The Chinese and the American Indian—Figures of Speech Nearly Allied to Eye Pictures—The Kind of Pictures That

Appeal—Different Kinds of People Call for Different Pictures—The Personality of the Artist—Analysis Shows the Same Primal Cause Amid the Widely Different Expressions—The Importance of Media, Oil, Water Color, Wash, Line—The Weakness of Symbolism—Realism Often Impotent—Natural and Realistic Not Synonymous—Mr. Joseph Pennell—Too Much Art—What is a Good Illustration?—The Illustration That Will Fit Anything Advertises Nothing—The Impotent Eye-Catcher—The "Blind" Advertisement—Contrasts—Rules for the Appeal—The "Copy" for the Engraver—Methods of Reproduction—Retouching—Zinc Etching—Half-Tone—Multi-Color Engravings—Newspaper and Magazine Illustrations—Comment on Illustrations.

CHAPTER XXII

THE PRINTER'S PART 594

At Every Stage the Printer Exacts His Toll—Painful Comparisons—Evolution of the Printer—Frank Enjoyment of a Work of Art Rare—The True Essentials of Craftsmanship—The Printer Does Not Understand—The Printer Who Co-operates—Printing Can Impart Personality and Character—Theodore L. De Vinne on Typographic Displays—What Carnegie Said—Definition of Art by A. W. Beck—The Influence of Beautiful Things—Regarding Its Nature and Properties—What Machinery Has Done for Craftsmanship—Ruskin's Theory—The Design of Type Faces—William Morris and His Kelmscott Press—Cobden Sanderson's Definition of the Office of Typography—Types and Speaking—A Few Type Faces Only are Necessary—H. R. Poore's Laws of Composition—Reason Why Certain Type Faces Are Effective—Color in Composition—Lawson's Typographic Personality—James Cheesman on Color Schemes—Color Harmony—The Use and Abuse of Papers—Paper Textures—Printing Qualities—System for Taking Care of Samples—Copying a Good Thing—The Country Printer of Today—The Layout—The Question of Price—How to Figure What a Job is Worth—System of Getting Service From Printers—Forms Used in Handling an Advertising Campaign—Cost Systems Save Money.

CHAPTER XXIII

THE DEPARTMENT OF NEW BUSINESS—THE TRAVELLING REPRESENTATIVE—BUSINESS-GETTING EMPLOYEES 630

The Sales—Advertising and Mail Department—"Assets Do Not Take the Place of Friends"—The Story of a Bank Which Cared Nothing for Friends—The Financial Department Store—Business Tact as an Asset—By William O. Jones, National Park Bank, N. Y.—How It Can be Operated—What Conservatism Thinks of the Special Representative—What the Liberal Banker Knows—How the Department is Operated—What the Special Representative Does—The Representative Who Represents—The Methods That Have Won in Other Fields—Rules and Regulations That Produce Co-operative Business-Getting Among Employees.

CHAPTER XXIV

THE ADVERTISING MANAGER 652

Ten Years Ago in a New York Bank—Why the Advertising Manager

is Different—The Old Way of Handling the Advertising—The Entrance of Business Men Into Banking—He May Not Write a Line of Copy, Lay Out a Single Piece of Printing, Yet be an Advertising Manager—What He Must be Able to See—Where Far Sight is Necessary—Analyzing a Bank's Proposition—How the Advertising Manager Goes About It—He Must be More Than a Writer—Enthusiasm Necessary to His Success—Proof of Its Value—Contrast Him With the Other Type of Man Who "Runs" the Bank—Experience is His Chief Stock in Trade—The Exchange of Experiences—Advertising Clubs and Their Value—Leveling Influence—An Advertising Manager is Never Better Than His Employer—The Phenomenon of Having Experience and Ability Dominated by Ignorance and Failure—Gillam's Knowledge of Types Saved $15,000 a Year—Technical Proficiency Essential—What Do You Know About Drawings for Instance?—Why It Does Not Pay to Know These Things Well Enough to be Safe—The Absurdity of Buying What You Like—Certainty of Definite Ideas—Tact and Diplomacy—The Things Any Advertising Manager Must Know—A Typical Day in the Life of a Manager of a Large Banking House—His Profession.

CHAPTER XXV

THE ADVERTISING SPECIALIST 668

What An Old Advertiser Said About the Failure of Some Advertisers and Their Advertising—The Professional Standing of Advertising—The Ignorant Client and His Bull-Headedness—Either Teach or be Content to be Taught—Mr. Power's Reply to John Wanamaker—What the Specialist Knows and Why He Knows He Knows It—Time Wasted in Getting Leave to Do Things—The Pay of Specialists—"What Has He Done" the Best Test—What the Specialist Does, and How—A Bit of History—Some Things He Has Done Well—The Grafters—Why It Pays to Employ Him—Other Specialists Who Specialize on Parts of Advertising—The Professional Outside Eye—What Harvard, Wisconsin and Columbia are Doing Towards Making Advertising a Profession.

CHAPTER XXVI

WHAT THE ADVERTISING AGENCY CAN DO FOR THE FINANCIAL ADVERTISER 681

The Original Function of the Advertising Agency—The Change That Has Come—Two Classes of Agencies—The Service Agency and the Advertising Space Brokers—What An Ideal Advertising Agency Would be Able to Do—What the Average Agency Lacks—The "Copy" Department—The "Advisory Board"—The Director of Service—The Analysis of Service Charges—What the Agency Charges—Where an Agency Can be of Service—The Fallacy of Buying "Service" on a Competitive Basis—Some Good Agency "Talking Points" Which Mean Little in Practice—Specializing on Certain Lines of Business—Little Value in Big Machines—The Commission Plan of Remuneration—The Publisher Pays the Agency for Taking Care of the Advertisers—How to Select an Agency—How One Advertiser Selected an Agency—How Long Established?—What is the Total of the Accounts Handled?—What Accounts?—What Facilities for Turning Out Good Copy?—What

Art Facilities?—On What Basis Do You Handle Accounts?—How Would You Familiarize Yourselves With Our Proposition?—What is Your Form of Contract?—Send Samples of Work—The Temptation is to Save Money—Lumping Mediums in Estimates—Figuring Rates—Agencies With Side Lines—Agencies With Obligations to Publishers—Agencies With a Corps of Advertising Managers Better Than Yours.

CHAPTER XXVII

THE "PUBLICITY PROMOTER" AND THE PUBLICITY BUREAU 700

The "Free" Reading Notice—The Eminent Nobodies it Has Fed Upon—The Authorized Interview—Its Success Depends on How Legitimate It Is—Its True Test is Its News Value—It Must Be News and it Must Be Interesting—What Will the "Other Fellow" Think?—The Interview and What it Means—Mr. Lawson's "Frenzied Finance"—Its Effect on the Public—How the Country Banker Can Use the News Columns—A Banker's Opinions—Getting Into Print—The New York Insurance Investigation and the Press—It is Not a Matter of Morals—Stories That Help—Let Your Articles be Timely—Tiresome Eulogies—"The Greatest Financier of the Age"—The Bank in the City Needs Public Confidence—The Bureau and Its System—Poorly Considered Condemnation of Bureau Work—"Collier's Weekly" Expose—What a Bureau Can Do for You—The Pennsylvania Railroad—How to Handle the News Stories—Must Be Well Written—The Private Car Lines, Mr. Armour and "The Saturday Evening Post"—The Standard Oil Company—"The Public be Damned" Attitude Passing—A Plain and Above-Board System.

CHAPTER XXVIII

COMPETITION AND HOW TO MEET IT WITH ADVERTISING . . 720

What You Are Entitled To—The Dead Average of Increase—Competition Has an Ethical Side—Ross Competitive Rule—Service Survives—Partiality and Pull Will Lose—Local Competition—Your Competitor is Your Best Friend—Exchange of Ledger Experiences—A Great Realization of Co-operative Competition—A Georgia Banker's Testimony—The Mail Order Bank—The Country Banker—Personal Equation Large—Service All-important—The Shrewdest and Craftiest Men in the Banking by Mail Business—Service Again the Bulwark Against Outsiders—The Local Banker Should Serve Local Interests First and Last—What Do You Give to the Local Banker—Some Bankers Talk Too Much About Their Customers—The Competition of the Trust Company With the Bank—A Kansas Trust Company Representative Shows Why Trust Companies are Going Ahead—Get in Touch With the Local Conditions and People—Why the Large Bank Misses the Small Depositor—Competition in a City Territory—Organization for Service—A Chicago Bank—Mail Order Houses Getting Deposits—Running to Law—Fake Investments—The Goldfield Graft—The Story of a Local Banker Who Woke Up—Papers that Accept Fake Investment Schemes—Local Banker Must Fight—Department Store Bank—The Private Bank—An Indiana Experience and Argument—How to Write Competitive Advertising—The Express Company's Competition

—How a Kansas Cashier Met the Express Company—What an Old Banker Thought of the Department Store—The Banker's Attitude—Analysis of Competitive Advertising.

CHAPTER XXIX

THE USE AND IMPORTANCE OF OFFICERS, DIRECTORS AND EMPLOYEES IN FINANCIAL ADVERTISING 757

The U. S. Treasury Road to a Bank Presidency—Hon. Leslie M. Shaw —Executives Ornamental and Otherwise—Vanderlips—"He Talks Too Much"—How Vanderlips Won Out—Winning Friends and Loaning Money Two Different Things—Some Sidelights on the Personalities of New York Bankers—The Politician—The Business Man—The Man Who is Related to the "Largest Stockholder"—The Corporation Lawyer—The Cashier is the Hub of the Wheel—The Directors Who Do Not Direct—What the People Think—Education of These People again —J. C. Joy, Hamilton Bank, New York—F. H. Spark, Parke State Bank, Rockville, Ind.—What the Officers Should Do—The Social Side of Banking—How Much Social Matters and Means Cut in Large Cities —The New Business Brought in Over the Luncheon Table—A Story of the Social Element in Business—The Personal Call—Good "Mixers" —Poor Judgment to Drop Either Advertising or Good Fellowship—How to Arouse and Maintain Interest of Officers—The Eagle Eye of the Cleveland Trust Company—E. G. Tillotson's Suggestions—The Late Dr. William S. Wood, Former President Bowery Savings Bank—The Wonderful Power of Square Dealing.

CHAPTER XXX

SPECIAL ADVERTISING PROBLEMS OF THE COMMERCIAL BANK, NATIONAL, STATE OR PRIVATE 775

Those Who Advertise Have a Greater Chance of Success Than Those Who Do Not—Advertising Good for All Bankers—The Hopeless Task —The School Girl From Pullman, Washington—Cashier William C. Whitford on "Discounts"—Educational Advertising from Bank of Mound City, Missouri—The Private Banker's Troubles—Suggestions by a Texas Banker—Argument for the Private Banker.

CHAPTER XXXI

THE SPECIAL ADVERTISING PROBLEMS OF THE TRUST, TITLE, INSURANCE AND GUARANTEE COMPANIES 801

Trust Company's Place in Finance—The Lesson of the Closing of the Knickerbocker Trust—The Analysis of the Plan of Organization—The Public Suspicious of Most Companies—Conspicuous Exceptions—Source of Weakness—Linking Trust Companies With Fake Mining Schemes—What You Can Talk About—The Field for Education—President Royse Sees a Bright Light—His Recommendations—The Way a New York Trust Company Educated Its People—The Way to Specialize Departments—The Growth of the Trust Company Idea—The Banking Power of the World and Where it is Coming—Advertising Done By Some Trust Companies Effective—Detroit Trust Company's Advertising.

CHAPTER XXXII

SPECIAL ADVERTISING PROBLEMS OF THE SAVINGS BANK . . 836

Most Interesting Problems are the Savings Bank's—Confidence the Touchstone—Experiences at the Teller's Window—The Failure of Success Stories—What the French System Teaches Us—Some Statistics and Testimonials—The Lesson of the Bowery Savings Bank—Great Britain and the Postal Bank—The Public School System of France—Comparison of the United States with Foreign Countries—Government "Competition"—Canadian Branch Bank System—Fertilizing the Field—The Massachusetts System—The Women's Department—Missouri Lincoln Trust Co., St. Louis—Campaign in a Large City—Campaigning With the Little Bank—How the Royal Trust Company, Chicago, Did It—The Central Trust Company of Illinois, Chicago—How the Building and Loan Associations Got Children's Deposits—A Savings Deposit Statement—The Harris Trust and Savings Bank, Chicago—Competition of the Fake Financial Scheme—Misinformation in the Public Prints—The Kind of Advertising That Pays.

CHAPTER XXXIII

ADVERTISING STOCKS, BONDS, MORTGAGES AND OTHER SECURITIES 870

A War-Time Story—Jay Cooke in 1861-'64—Dr. Jayne's Prescription for Selling Bonds—Cooke Becomes Loan Agent—Cooke Called a Fool—Oberhaltzer Tells the Story—How France Has Obtained a Wealth of Forty-five Billions—Consul General Miller's Report—People Who Buy Bonds—How Bond Houses Advertise—Where They Advertise—Suggestions on How to Prepare Bond Selling Advertisements—The Professional Investor—Those Who Want to Invest Savings—When to Advertise Bonds—William Foley, Manager Bond Department, Mercantile Trust Co., St. Louis—Marketing Farm Mortgages—Merchants Loan and Trust Co., Chicago—What Isaac F. Marcosson Said—Selling Realty Company Mortgage Bonds—The Failure of the Market Letter—Where Poor Printing Fails—The Circular Letters Issued by Bond Houses—How Lawson Does It—Lawson Tells How and Why He Advertises—The Public Soon Learns Many Things—What It Can Do.

CHAPTER XXXIV

ADVERTISING SAFE DEPOSIT SERVICE 915

The Strong Box of the Community—First the Safe Deposit Then the Deposit in the Savings or Commercial Side—The "Nuisance" That Pays—Safety is the First Thing—Subject Close to the Interest of the Public—Our Ridiculous Generosity in the Support of Laws and Lawyers—Our National Paradoxes of Character—Advertising After a Fire—Indianapolis Bank—Education Again—What People Do Not Know About Safe Deposits—Using the Newspapers—Columbia Savings and Trust Company, Columbus, Ohio—Remarkable Booklet Work—Getting Important Papers—H. B. Craddick, People's Savings Bank, Nevada, Iowa—The Safe Deposit by Mail Idea—Carnegie Trust Company, New York—Has It a Reasonable Excuse for Existence?

CHAPTER XXXV

IN TIMES OF PANIC: A FEW WORDS IN CONCLUSION 938
The Lessons of 1907-08—The Fight Made to Make the Public Understand—Newspapers Enlisted—Let Into the Inner Councils—Andrew Carnegie and Wall Street—What the Public Needed—The New York Journal—Advertising During a Panic—How a Run Started—Faith Producing Articles—Feature the Good News—The Lessons Half Learned—The New Laws—People Create Panics—This is a Depressing Book—Let Well Enough Aloneism—The Lessons of This Book—The Individuality of Success—The Misconception of Art—Art Must be Sincere—Not a Brief for the Advertising Man—The Closing Lesson.

BIBLIOGRAPHY 956

TECHNICAL INFORMATION 961

CHAPTER I

ADVERTISING FROM THE HISTORICAL SIDE *

THE BEGINNINGS OF ADVERTISING—THE CRIER OF WARES—THE TOWN CRIER AND AUCTIONEER—THE TESTIMONY OF POMPEII AND HERCULANEUM—THE BOOKSELLERS AS ADVERTISERS—ADVERTISING IN INDIA, CHINA AND PERSIA—HERALDRY AS ADVERTISING—THE PUBLIC CRIER IN ENGLAND—IN FRANCE—THE FIRST ADVERTISEMENTS IN THE EARLY PRINTS—SHIFT, THE FIRST AD WRITER—"JOURNAL GENERAL" D'AFFICHES—DR. JOHNSON AND HIS "IDLER"—THE FIRST COMMERCIAL ADVERTISING—FROM "THE LONDON TIMES"—EARLY ADVERTISING IN AMERICA

ADVERTISING is not of comparatively recent growth. Advertising, according to the relics of ancient days, is almost as old as man himself. This idea that advertising is of modern origin is due, primarily, to the apparent lack of interest shown by the makers of dictionaries and encyclopaedias in this literary side of business.

Ancient Origin of Advertising

It is said by commentators of more recent date that advertising flourished in India, in China, in Japan and Persia, long before the Christian era, but wanting more precise information on the subject, we shall simply take it for granted that as their education, civilization and enlightenment long antedated that of the Christian era, we must naturally conclude that the wants and desires which are the mainspring of advertising, must have found expression through advertising in these older civilizations. Hence we will not quarrel with the contention that our own records are very imperfect when we come to discuss the first advertising done.

It is probably impossible, however, to state a time, or give even an approximate date at which the first advertisement appeared. Advertising, no doubt, had its origin on the non-commercial side in the necessities of government and the growth of population. On the commercial side it probably had its birth in the competition between tradesmen.

We shall for very obvious reasons deal with it more particularly on the commercial side. It is reasonable to suppose, from our knowledge of human nature and from the annals of history, knowing that human nature has changed but little in the intervening centuries since the dawn of reason, that no man has ever desired to have his light hidden beneath a bushel. The natural result of which was that he

*The writer wishes to acknowledge his indebtedness to The History of Advertising, by Henry Sampson; Chatto & Windus, London, 1874.

would advertise in some manner or other his virtues, his desires, or his wares.

By advertising we do not mean, however, printed advertising alone.

Advertising may be accomplished by word of mouth, as by the town crier; it may be accomplished by a picture, such as an ancient sign, or it may be accomplished by crude writing on a wall.

In primitive times, when the tribe was nomadic, wandering from place to place following the flocks, it is no doubt true that the man with something to sell hawked his wares, or pitching his tent along the trail or highway, displayed them, thus advertising them, to the passer-by.

The First Display Window

It was in these times that the forerunner of the display window was the most natural method of advertising the merchandise of the day, in order to attract the passerby who might not otherwise look his way.

The town or tribal crier passed from place to place among the people, calling attention to the fact that "excellent cloth of wool might be obtained from Isaac, the money lender."

We do not have far to go in ancient Greek and Roman history before we meet the town crier. In Greece in the time when its artistic splendor had risen to the height of its glory, the town crier was generally accompanied by a musician, in order that no unmusical tones might offend the trained ear of the populace.

Very frequently these criers' work combined the qualities of an auctioneer with those of a crier. In Book VIII, Episode 8, of the Golden Ass, (Apuleius), Venus is represented as requesting Mercury to "proclaim Psyche in public and announce a reward to him who shall find her," and enjoins the divine crier to "clearly describe the marks by which Psyche may be known, that no one may excuse himself on the plea of ignorance if he incurs the crime of unlawfully concealing her." Mercury thereupon descends to the earth and proclaims the loss of Psyche to the people in the manner indicated.

Venus Wrote An Ad

In the first Idyll of Moschus, a Syracusan poet who lived about 250 years before the Christian era, Venus is made to say, "If anyone has seen my son Eros straying in the cross-roads, know ye, he is a runaway. The informer shall have a reward. The kiss of Venus shall be your pay; and if you bring him, not the bare kiss only, but,

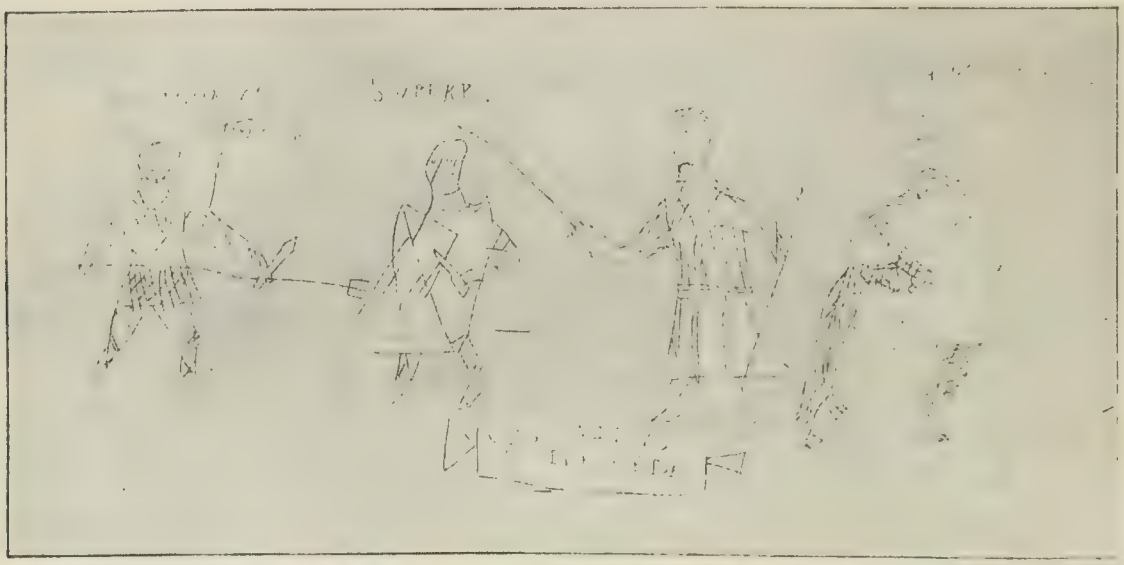


FIGURE 1

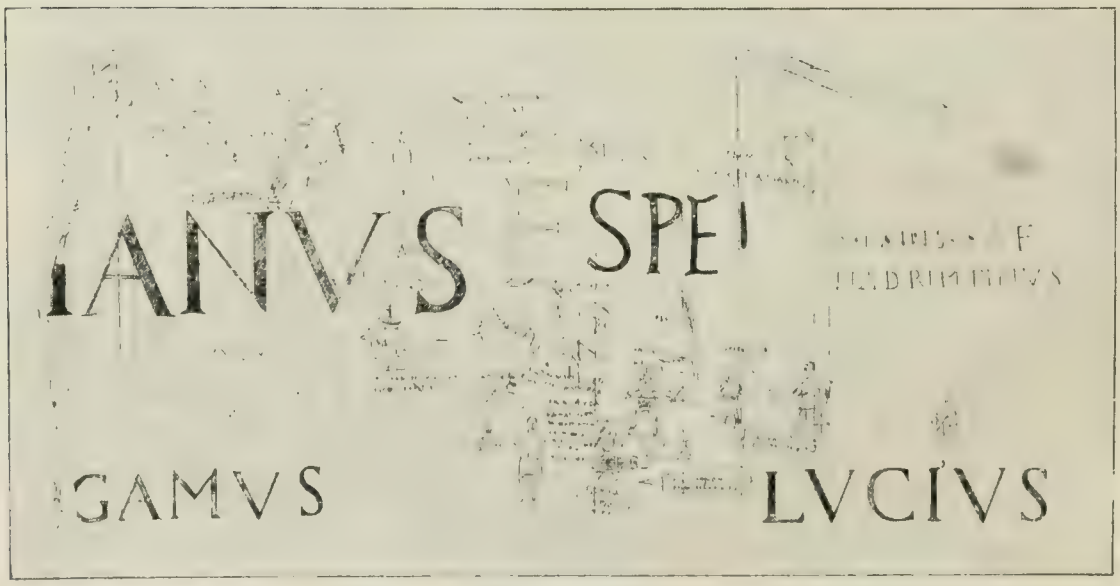


FIGURE 2

stranger, you shall have something more," which, as a later commentator has truly said, is sufficiently vague, but not more so than the "a reward will be given" of our later day "lost and found" notices.

So the crier early realized both in the form and character of his notices, that essential of strong personal appeal which, centuries after, was to come into its own as the most forceful expression in advertising.

A More Complete Record

Rome, however, gives a greater opportunity for accurate description of its advertising because its records have been better preserved. The cities of Herculaneum and Pompeii were, at the time of their destruction, two of the most prosperous commercial cities of the Roman world, and recovered from the sleep of centuries in the dust and molten rock that buried them on the 24th of August, A. D., 79, in a subsequent time to give us in many ways one of the most complete records through their advertising, of ancient commercial life. They tell us of the state of society, the wants and aspirations of the people, and the standards of public taste of the Romans of that age.

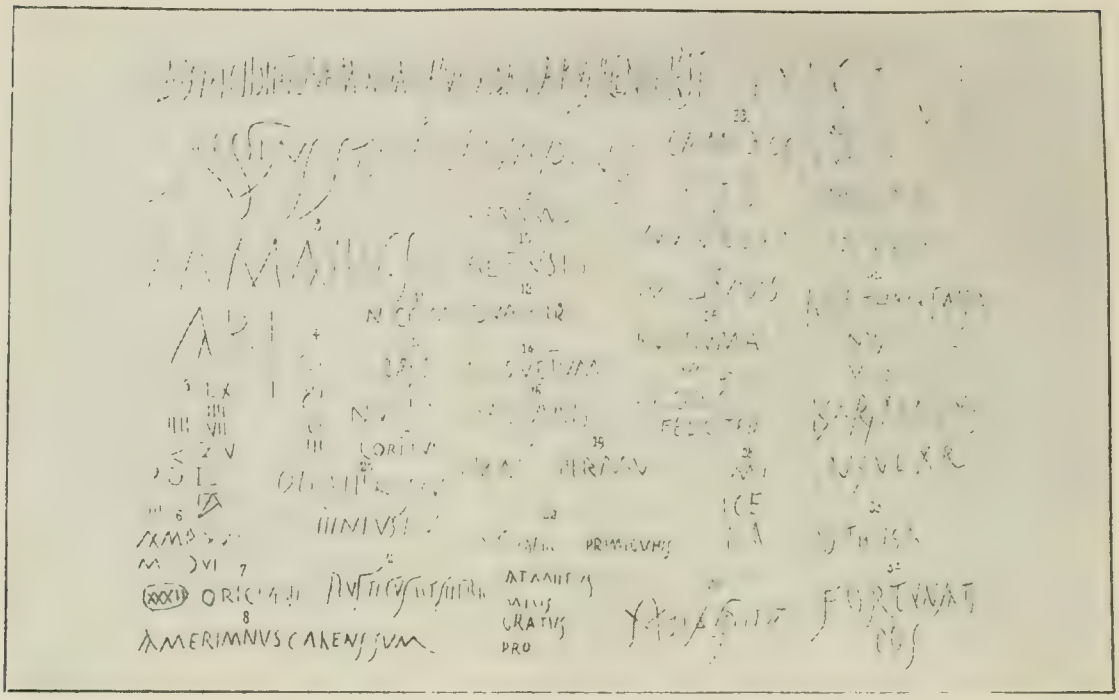
On other pages are shown reproductions (Figures 1, 2 and 3) from the wall inscriptions in Pompeii. Of course, these advertisements of gladiatorial combats and public plays, were the most prevalent form of notices. These notices were drawn on the walls of the amphitheaters, or on those of the public baths. They were, of course, displayed together with notices of sales and auctions, the loss of runaway slaves, and the attractive merits of hairdressers.

As a sample, a print is shown here (Figure 2) of a wall in Pompeii, where the inhabitants have apparently expressed their opinion of the different participants in the circus.

In point of fact, both the Greeks and the Romans left a space on the outer wall of their houses that was smoother and whiter than the rest, on which was written from time to time various public notices concerning themselves and their affairs.

The booksellers of that ancient day were, as the booksellers of a later day, consistent advertisers of their wares. They used to placard their shops with the titles of the latest scrolls and poems of favorite authors, that they had on sale.

After the town crier and the literary advertisements of Rome and Greece, come the Middle Ages, when intellectual darkness reigned supreme and men's minds seem to have gone to sleep.



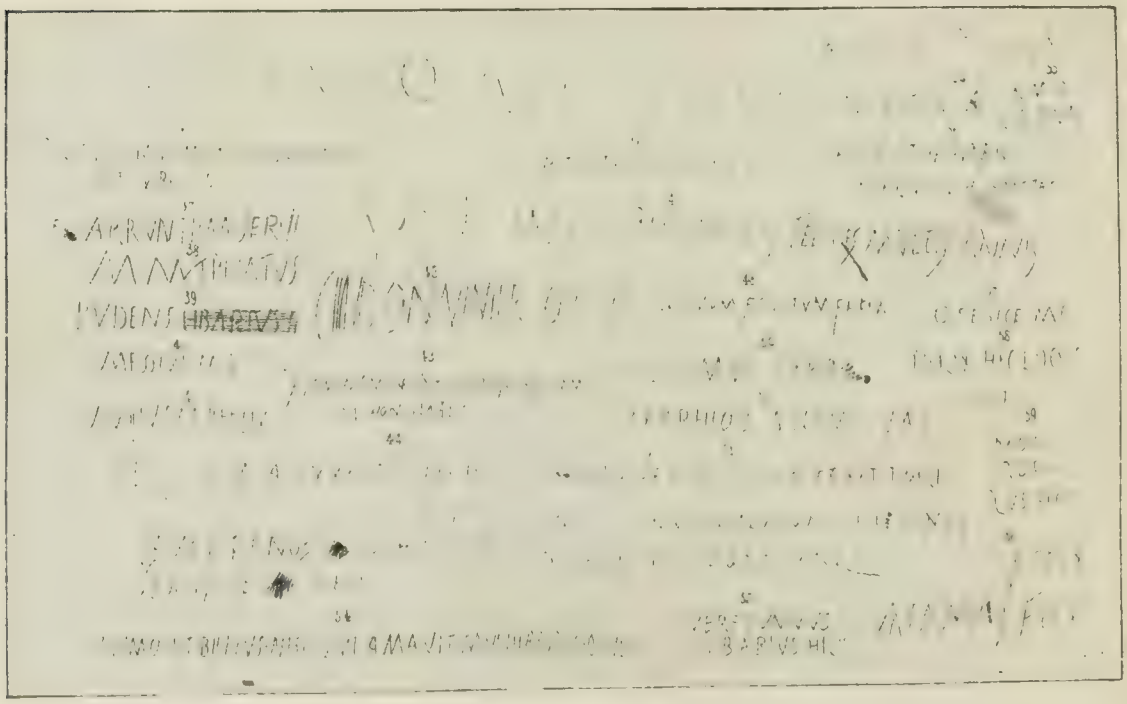


FIGURE 3

Education At a Premium

Education was at a premium; reading and writing were esteemed, not as evidences of culture, not as a source of pride, but as something unworthy of a man or a knight, and fit only for the priest and scrivener. The priest was tolerated because of his spiritual power, the scrivener was a man lower than the domestic servant, and looked on much as are the motley drudges in the employ of a nobleman.

Origin of Heraldic Devices

In a day when men could not read nor write, signs and symbols became the natural media for the exchange of ideas. Again the town crier came into almost universal demand and heraldry received its first impulse from ignorance, for the reason the knight in many cases could neither read nor write his own name. In order that his individuality, his fame and his standing in the community should be constantly emblazoned before the people's eyes, his coat-of-arms, crest, cipher or monogram was emblazoned on his shield, and worked in "fine stitches in the doublets of his followers," in order that they might be recognized by friend and foe alike and thus saved from the errors of identity, which might frequently result in disaster and bloodshed.

It was not strange, of course, that in a community such as this, the lines of business, simple and straight-forward as they were, should rely on the signs used by those engaged in them.

There was the man who, either by his tailor's goose or shears hung above the door, would indicate that tailoring was his business. When there was more than one tailor in a village, one had golden shears and another silver, or one a golden goose and another a silver goose, and so on through the list.

The names of inns of the time were such as could be pictured. It might be the picture of a knight in sable armor; it might be "The White Swan," or "The Black Horse," or "The Red Cock." All of the names were capable of a simple, direct illustration. In a later day, of course, the words of the titles themselves were added to the sign, but in medieval times the picture or the insignia was sufficient.

However, the enterprise of merchants passed far beyond the possibilities of their own streets, neighborhoods and communities, or the personal appeal of the signs hung over their doors. Competition forced them into more active methods of attracting trade. The town crier was the only means for obtaining publicity.

The Town Crier

The town crier was engaged principally in announcing the result of battles or the decision to go forth to war, the sales of plunder or slaves.

As civilization advanced, however, and communities settled down to the quiet and economical development of wealth, the town crier's duties became more commercial and diversified. In medieval times he carried a horn by which he attracted the public ear when he was about to make an announcement on behalf of the city government, or publish the virtues of a new wine, or the superior abilities of some tailor.

In the year 1141 Louis the VIII. of France granted to the inhabitants of the Province of Berry the privilege of having twelve criers, five of whom visited different taverns crying the virtues of the wine they carried and every time they blew their horn they were entitled to one penny from the public purse, or from the merchant who employed them.

Advertising Religion

It is told in an old chronicle that an aged woman named Adelheid wished to proclaim the word of God, but not having lungs sufficiently powerful for the purpose, she paid a wine crier to go about proclaiming, "God is righteous! God is merciful! God is good and merciful!" and as the man went about the town she followed him exclaiming, "He speaks well! He says truly!" But it was contended by certain magistrates of the city that she did this purely out of vanity and thus brought the sacred name of Deity into disrepute, and she was burned alive!

About the middle of the thirteenth century the public criers of France formed an organization for which they obtained a charter from Philip Augustus, and from which grew a very close corporation.

In England the town criers were used much as auctioneers are of this later times. As early as 1299 we have records of the English town criers. They carried horns as in France, and the will of a citizen of Bristol, dated 1388, mentions that the "testaments so bequeathed shall be sold separately by the sound of the trumpet at the High Cross of Bristol, without any fraud or collusion."

The public crier was also expected to cry the wares of different merchants. Sometimes the merchant employed a private crier to stand at his door, much as the second-hand dealer of ten years ago employed a tout to walk up and down in front of his store, accost pedestrians and urge them to purchase. Sometimes this led to most annoying results, as the poor pedestrian would be mauled and dragged hither and yon by the contending touts urging him to buy.

The Advance of the Written Ad

In the meantime, however, education was advancing and the public crier was gradually being placed in competition with the written

advertisement. Many times we find him using a written proclamation. He would be called upon to tack these written proclamations up at the doors of churches, the gateways of cities, near fountains or in other public places where the people congregated. These announcements frequently dealt with the wares of merchants, but more frequently with the arrival at port of important vessels, of the escape of criminals and the rewards offered for their apprehension, religious and political proclamations and current events.

However, the first printed English advertisement appeared, according to the records in the Bodleian Library at Oxford, in 1480, when Caxton issued a small poster announcing the sale of the "Pyes of Salisbury Use"—a collection of rules for the government of priests in the diocese of Salisbury.

The Book Ads of the First Printers

Early in the fifteenth century, Coburger at Nuremberg, issued a list of books in printed form, saying in Latin: "Those who wish to buy the books hereinunder mentioned, must come to the house now named."

The Parisian printers fell into line of course, and went a step further. The University of Paris, desiring to keep in close touch with the large amount of rare manuscripts that were being handled by the Parisian booksellers, and to let nothing escape them that might be of service in their scholastic calling and having large political influence, passed a statute requiring that all the booksellers of the capital city should advertise in their shop windows any new manuscripts they might obtain.

Anyone familiar with the first printed books will be struck with the attempt to advertise a book by extolling its merits in the publication itself, which surely is like the man who tried to lift himself over the fence by his own boot straps!

In the rush of events consequent upon the invention of printing from movable types, education received a tremendous impetus and quickened men's minds to a realization that literature had ceased to be a matter for scholars alone and had become a necessity of the average man's mental development.

We find the booksellers in England, Germany and France uniting in a common and keen desire to impress upon the public the fact that the price of their wares was small. Of course, the cost of production of the printed book was many times less than the written book, but many produced beyond the market demands.

Ulrich Gering in his "Corpus Juris Canonici" in 1500, says to his public: "Do not run away on account of the price. Come, rich and poor, this excellent work is sold for a very small sum." Of course, all this was in Latin.

In Remboldt's edition of "S. Bruno on the Psalms," (1509), the publisher gives the information that "he does not lock away his wares like a miser, but that anyone can carry them away for a very little money."

First of The Paid "Puffs"

The book writers and sellers of that time were not so very far behind their modern counterparts in thrift and surely had an "eye to business." We have on record that the learned professors of the University of Paris would in their lectures, for the consideration of a free copy from the publisher, tell their students what a marvelous work some particular bookseller was then selling. We have on record another case where the learned French savant, Chevalier, condescended to praise very highly a book that had just been issued by a publisher of the city—all for pay. The historian adds, "This is one of the first puffs on record."

It was not, however, until the middle of 1700 that printed advertisements came into any general use. Even then they were generally handbills or posters, posted wherever crowds congregated.

Posters in "Paul's"

In the early sixteenth and seventeenth centuries the principal place in London for affixing these bills was in the middle aisle of St. Paul's. From the time of the Reformation to the Restoration, St. Paul's was the loafing and meeting place of the characters of the town.

In Ben Jonson's "Every Man Out of His Humor," the first advertising man is mentioned; his name is Shift. He is termed "a threadbare shark whose profession was begging and swindling and whose bank is Paul's."

Shift's productions were masterpieces of their kind, and one of them is reproduced here as an example of what can be done with English in the elaborate inversions of that day:

"If this city, or the suburbs of the same, do afford any young gentleman of the first, second, or third head, more or less, whose friends are but lately deceased, and whose lands are but new come into his hands, that, to be as exactly qualified as the rest of our ordinary gallants are, is effected to entertain the most gentleman like use of tobacco; as first, to give it the most exquisite perfume; then to know all the delicate, sweet forms for the assumption of it; as also the rare corollary and practise of the Cuban ebolitior, enripns and whiff, which we shall receive or take in here at London, and evaporate at Uxbridge, or farther, if it please him. If there be any such generous spirit, that is truly enamored of these good faculties; may it please him but by a note of his hand to specify the place or ordinary where he uses to eat and lie; and most sweet attendance with tobacco and pipes of the best sort, shall be ministered."

Shift, the First Advertising Man

I am afraid, however, that Jonson was not well-intended toward friend Shift, because Jonson was not a friend of advertising, for does he not enjoin his bookseller, Bucklesberry, to use the books for wrappers and bags, rather than force their sale by the "usual means?"

"Nor have my leaves on posts or walls,
Or in cleft sticks advanced to make calls
For termers or some clerklike serving men."

Hence, we shall not take our opinion of Shift from so prejudiced a source.

It is claimed that the first English newspaper appeared in 1583. This journal was called the "English Mercurie."

On the last page of a paper called "Domestick Intelligence," December, 23, 1679," published to prevent false reports, can be seen an advertisement, which is an announcement of an appointment by the Lord Mayor, the announcement of the publication of a new pack of cards, a sale of millinery goods and "a lost pocket with a watch."

As early as 1524 pamphlets or small books of news, were printed in France and Germany, but publication was irregular and no connected history of their appearance is extant.

"Journal General D'Affiches

On the 14th of October, 1612, in Paris, the "Journal General D'Affiches," better known as the "Petites Affiches," was published for the first time. This publication appeared from the time of its first number until 1874 at least, and may yet be published. It was originally, no doubt, an advertising medium, as in a later day it was a medium for announcing any public or private sale of property, the publication of partnership deeds, articles of public companies, and other legal and business notices.

In 1591 in one of the news-books which is yet preserved in the British Museum, was published in Germany an advertisement which told of a book written by one Dr. Laster, descriptive of a famous magical plant.

During the time of Charles I. of England (1626), a black-letter newspaper appeared without name or title. This contained an advertisement of a sale to be held. Most of its advertisements are for sales, the employment of some indigent scholar, or a book, but in the "Mercurius Politicus", September 20, 1658, there appears a simon-pure advertisement for a commercial commodity as follows:

That Excellent, and by all Physicians, approved, China drink, called by the Chineans Tcha, by other nations Tay, alias Tea, is sold at the Sultaness Head, Cophee-House, in Sweeting's Rents, by the Royal Exchange, London.

The 23. of May.

VVEEKELY Nevves from Italy, GERMANIE, HVNGARIA, BOHEMIA, the PALATINATE, France, and the Low Countries.

Translated out of the Low Dutch Copie.

LONDON,
Printed by *I. D.* for *Nicholas Bourne* and *Thomas Archer*, and are to be sold at their shops at the *Exchange*, and in *Popes-head Pallace*.
1622.

FIGURE 4

Dr. Johnson in the "Idler"

Gradually the advantages of advertising were dawning upon the intelligence of both public and business men. Dr. Johnson, in his "Idler," No. 40, observes: "The man who first took advantage of the general curiosity that was excited by a siege or battle, to betray the readers of news into the knowledge of the shop where the best puffs and powder was to be sold, was undoubtedly a man of great sagacity and profound skill in the nature of men. But when he had once shown the way, it was easy to follow him."*

The First Patron of Advertising

Sir Roger L'Estrange may be looked upon as the first patron of advertising. He was the first one to realize its commercial value, and should be the patron saint of advertising agencies, for in 1663 he was the appointee to the new office of Surveyor of the Imprimery and Printing Presses, and had the sole privilege of writing, printing and publishing all narratives, advertisements, announcements, etc., etc., besides all play bills, quack salver's bills, tickets, etc., and he immediately started the publication of a paper called the "Intelligencer," and the same year started "The News," and in 1668 commenced "The Mercury" or "Advertisements Concerning Trades," which last died an early death.

But consistent and persistent patrons of advertising were few and far between, although in the early days, because of the scarcity of news, the advertisements were sure to be read by those who received the publications.

In No. 52 of the "City Mercury" appears a pleading note from the publisher showing the traders how much easier it was to insert their advertisement in his newspaper, than to attempt to circulate it by hand-bills. But still the merchant class was not convinced.

Advertising from 1647 commenced to develop at a more rapid rate; its use and advantages became better realized by the gentry and the men about town, although the merchants seemed to realize but little of its value to them as sellers of goods. In point of fact, they seemed to look upon the printed sheet with that degree of indifference with which

*We have already referred to an article written by Dr. Johnson, in an Idler of 1759, on the subject of advertisements. It is very amusing, and in it he says that "whatever is common is despised. Advertisements are now so numerous that they are very negligently perused, and it is therefore become necessary to gain attention by magnificence of promises, and by eloquence sometimes sublime and sometimes pathetic." He then passes in review some of the most inflated puffs of that period, and continues, "Promise, large promise, is the soul of an advertisement. I remember a washball that had a quality truly wonderful—it gave an exquisite edge to the razor. And there are now to be sold, for ready money only, some duvets for bed-coverings, of down, beyond comparison superior to what is called ottar down, and indeed such, that its many excellences can not be here set forth. With one excellence we are made acquainted—it is warmer than four or five blankets and lighter than one. There are some, however, that know the prejudice of mankind in favour of modest sincerity. The vendor of the beautifying fluid sells a lotion that repels pimples, washes away freckles, smooths the skin, and plumps the flesh; and yet, with a generous abhorrence of ostentation, confesses that it will not restore the bloom of fifteen to a lady of fifty. The true

Numb. 2.

The Weekly Account:

Containing,

Certain Special and Remarkable Passages from both Houses of PARLIAMENT; And Collections of severall Letters from the Armies.

This *Account* is Licensed, and Entred into the Register-Book of the Company of *Stationers*; And Printed by BERNARD ALSOP, *According to Order of* PARLIAMENT.

From *Wednesday* the 6. of Jan. to *Wednesday* the 13. of January. 1646.

WEDNESDAY January 13.

THe Commissioners appointed by the Parliament to go to the North, and receive the Kings Person, and then conduct him to Holmsby house, are these

The Earle of Pembroke.
The E. of Denbigh.
The L. Mountague.
Sir Iohn Holland.
Sir Walter Earl.
Sir Iohn Cook.
Sir Iames Harrington.
Major Gen. Brown.
Mr. Iohn Crew.

Two Ministers, *viz. Mr. Marshal*, and *Mr. Carol*, go with the Commissioners.

The Commissioners to the Scots Army, are the Earl of Stamford.

B Mr.

FIGURE 5

they had looked upon scholarship, for as yet printing smacked only of literature, and literature meant to them the out-at-the-elbows genius, the down-at-the-heel man of talent. In Figures 4 and 5 are shown some of the title pages of papers of the day.

Introduction of Commercial Advertising

From 1700 we see the introduction of commercial advertising. We find in the daily "Courant" (1707) advertisements of spectacles by which one could see 20 or 30 miles, which suggests that Ananias early found the use of advertising. In later issues of the same publication we see advertisements of quack doctors, and the personal appeal of a mountebank. Again, we read of a telescope that can be made for 20 guineas and is four feet long. "The Tattler" of 1709 contains some of those personal advertisements which for a long time characterized the early English literary weeklies.

"The Tattler"

Addison, in number 229 of "The Tattler", under date of September 14, 1710, says:

"Materiem superabat opus."—OVID, Met. ii. 5.
"The matter equall'd not the artist's skill."—R. WYNNE.

"It is my custom, in a dearth of news, to entertain myself with those collections of advertisements that appear at the end of our public prints. These I consider as accounts of news from the little world, in the same manner that the foregoing parts of the paper are from the great. If in one we hear that a sovereign prince is fled from his capital city, in the other we hear of a tradesman who has shut up his shop and run away. If in one we find the victory of a general, in the other we see the desertion of a private soldier. I must confess I have a certain weakness in my temper that is often very much affected by these little domestic occurrences, and have frequently been caught with tears in my eyes over a melancholy advertisement.

"But to consider this subject in its most ridiculous lights, advertisements are of great use to the vulgar. First of all as they are instruments of ambition. A man that is by no means big enough for the Gazette, may easily creep into the advertisement; by which means we often see an apothecary in the same paper of news with a plenipotentiary, or a running footman with an ambassador. An advertisement from Piccadilly goes down to posterity with an article from Madrid, and John Bartlet (note 1) of Goodman's Fields is celebrated in the same paper with the Emperor of Germany. Thus the fable tells us, that the wren mounted as high as the eagle, by getting upon his back.

"A second use which this sort of writings have been turned to of late years has been the management of controversy, insomuch that above half the advertisements one meets with nowadays are purely polemical. The inventors of 'Strops for Razors' have written against one another this way for several years, and that with great bitterness (note 2) as the whole argument pro and con in the case of the 'Morning Gown' is still carried on after the same manner. I need not mention the several proprietors of Dr. Anderson's pills; nor take notice of the many satirical works of this nature so frequently published by Dr. Clark, who has had the confidence to advertise upon that learned knight, my very worthy friend, Sir William Read: (note 3) but I shall not interpose in their quarrel:

pathos of advertisements must have sunk deep into the heart of every man that remembers the zeal shown by the seller of the anodyne necklace, for the ease and safety of poor toothing infants, and the affection with which he warned every mother, that she would never forgive herself if her infant should perish without a necklace. I can not but remark to the celebrated author, who gave, in his notifications of the camel and dromedary so many specimens of the genuine sublime, that there is now arrived another subject yet more worthy of his pen—A famous Mohawk Indian warrior, who took Dieskaw, the French general, prisoner, dressed in the same manner with the native Indians when they go to war, with his face and body painted, with his scalping knife, tom-axe, and all other implements of war! A sight worthy the curiosity of every true Briton! This is a very powerful description: but a critic of great refinement would say that it conveys rather horror than terror. An Indian, dressed as he goes to war, may bring company together; but if he carries the scalping knife and tom-axe, there are many true Britons that will never be persuaded to see him but through a grate. It has been remarked by the severer judges, that the salutary sorrow of tragic scenes is too soon effaced by the merriment of the epilogue; the same inconvenience arises from the improper disposition of advertisements. The noblest objects may be so associated as to be made ridiculous. The camel and dromedary themselves might have lost much of their dignity between the true flower of mustard and the original Daffy's Elixir; and I could not but feel some indignation when I found

Sir William can give him his own in advertisements, that, in the judgment of the impartial, are as well penned as the Doctor's.

More "Tattler" Observations

"The third and last use of these writings is to inform the world where they may be furnished with almost everything that is necessary for life. If a man has pains in his head, colics in his bowels, or spots in his clothes, he may here meet with proper cures and remedies. If a man would recover a wife or a horse that is stolen or strayed; if he wants new sermons, electuaries, asses' milk, or anything else, either for his body or mind, this is the place to look for them in.

"The great art in writing advertisements, is the finding out a proper method to catch the reader's eye, without which a good thing may pass unobserved, or be lost among commissions of bankrupt. Asterisks and hands were formerly of great use for this purpose. Of late years the N. B. has been much in fashion, as also little cuts and figures, the invention of which we must ascribe to the author of spring-trusses. I must not here omit the blind Italian character, which being scarce legible, always fixes and detains the eye, and gives the curious reader something like the satisfaction of prying into a secret.

"But the great skill in an advertiser is chiefly seen in the style which he makes use of. He is to mention the 'universal esteem,' or 'general reputation' of things that were never heard of. If he is a physician or astrologer, he must change his lodgings frequently; and though he never saw anybody in them besides his own family, give public notice of it, 'for the information of the nobility and gentry.' Since I am thus usefully employed in writing criticisms on the works of these diminutive authors, I must not pass over in silence an advertisement, which has lately made its appearance and is written altogether in a Ciceronian manner. It was sent to me with five shillings, to be inserted among my advertisements; but as it is a pattern of good writing in this way, I shall give it a place in the body of my paper.

> "The highest compounded Spirit of Lavender, the most glorious, if the expression may be used, enlivening scent and flavour that can possibly be, which so raptures the spirits, delights the guests, and gives such airs to the countenance, as are not to be imagined but by those that have tried it. The meanest sort of the thing is admired by most gentlemen and ladies; but this far more, as by far it exceeds it, to the gaining among all a more than common esteem. It is sold in neat flint bottles, fit for the pocket, only at the Golden Key in Wharton's Court, near Holborn Bars, for three shillings and sixpence, with directions.

"At the same time that I recommend the several flowers in which this spirit of lavender is wrapped up, if the expression may be used, I can not excuse my fellow-labourers for admitting into their papers several uncleanly advertisements, not at all proper to appear in the works of polite writers. Among them I must reckon the "Carminative Wind-Expelling Pills." If the Doctor had called them 'Carminative Pills,' he had been as cleanly as any one could have wished; but the second word entirely destroys the decency of the first. There are other absurdities of this nature so very gross, that I dare not mention them; and shall therefore dismiss this subject with an admonition to Michael Parrot, that he do not presume any more to mention a certain worm he knows of, which, by the way, has grown seven foot in my memory; for, if I am not much mistaken, it is the same that was but nine feet long about six months ago.

"By the remarks I have here made, it plainly appears, that a collection of advertisements is a kind of miscellany; the writers of which, contrary to all authors, except men of quality, give money to the booksellers who publish their copies. The genius of the bookseller is chiefly shown in his method of ranging and digesting these little tracts. The last paper I took up in my hands places them in the following order:—

"The true Spanish blacking for shoes. etc.
"The beautifying cream for the face, etc.
"Pease and Plasters, etc.
"Nectar and Ambrosia, etc.
"Four freehold tenements of fifteen pounds per annum, etc.
"The present state of England, etc.
"Annotations upon the Tattler, etc.
"A commission of Bankrupt being awarded against R. L., bookseller, etc."

---

this illustrious Indian warrior immediately succeeded by a fresh parcel of Dublin butter. The trade of advertising is now so near to perfection, that it is not easy to propose any improvement. But as every art ought to be exercised in due subordination to the public good, I can not but propose it as a moral question to these masters of the public ear. Whether they do not sometimes play too wantonly with our passions? as when the registrar of lottery tickets invites us to his shop by an account of the prizes which he sold last year; and whether the advertising controversists do not indulge asperity of language without any adequate provocation? as in the dispute about strops for razors, now happily subsided, and in the altercation which at present subsists concerning Eau de Luce. In an advertisement it is allowed to every man to speak well of himself, but I know not why he should assume the privilege of censuring his neighbour. He may proclaim his own virtue or skill, but ought not to exclude others from the same pretensions. Every man that advertises his own excellence should write with some consciousness of a character which dares to call the attention of the public. He should remember that his name is to stand in the same paper with those of the King of Prussia and the Emperor of Germany, and endeavour to make himself worthy of such association. Some regard is likewise to be paid to posterity. There are men of diligence and curiosity who treasure up the papers of the day merely because others neglect them, and in time they will be scarce. When these collections shall be read in another century, how will numberless contradictions be reconciled? and how shall fame be possibly distributed among the tailors and bodice-makers of the present age?"

This essay probably aroused a good deal of attention, and among the letters of correspondents is one from a "self-interested Solicitor," which appears in No. 228, and runs thus:—

"Mr. Bickerstaff:

"I am going to set up for a scrivener, and have thought of a project which may turn both to your account and mine. It came into my head upon reading that learned and useful paper of yours concerning advertisements. You must understand I have made myself Master in the whole art of advertising, both as to the style and the letter. Now if you and I could so manage it, that nobody should write advertisements besides myself, or print them anywhere but in your paper, we might both of us get estates in a little time. For this end I would likewise propose that you should enlarge the design of advertisements, and have sent you two or three samples of my work in this kind, which I have made for particular friends, and intend to open shop with. The first is for a gentleman who would willingly marry, if he could find a wife to his liking; the second is for a poor Whig, who is lately turned out of his post; and the third for a person of a contrary party, who is willing to get into one

"Whereas, A. B. next door to the Pestle and Mortar, being about thirty years old, of a spare make, with dark coloured hair, bright eye, and a long nose, has occasion for a good-humoured, tall, fair, young woman, of about £3000 fortune; these are to give notice That if any such young woman has a mind to dispose of herself in marriage to such a person as the above mentioned, she may be provided with a husband, a coach and horses and a proportionable settlement.

"C. D. designing to quit his place, has great quantities of paper, parchment, ink, wax, and wafers to dispose of, which will be sold at very reasonable rates.

"E. F. a person of good behaviour, six foot high, of a black complexion and sound principles, wants an employ. He is an excellent penman and accomptant, and speaks French."

Reflects Immorality of the Age

During the early portion of the eighteenth century we see the advertising reflecting the profound immorality of the day. The journals are crowded with assignation notices, quack doctors' advertisements, and the notices of Fleet Street marriages.

In the latter half of the eighteenth century advertising became more a means by which gentility and good business might wait on opportunity or force it.

It is about this time that financial advertising commences to appear in the public prints.

It is true, the advertisers were mostly the unprincipled knaves and fakirs as witnessed in the "Morning Post" of October, 1778, where "for a hundred guineas the advertiser promises a thousand."

We find in the accompanying reproduction of the "London Times" for Tuesday, January 1, 1788, (Figure 6) a large number of advertisements of entirely new things, which were commencing to appear in the public prints.

---

1. An advertising trussmaker of that day.

2. A specimen advertisement of one of those inventors appear in the "Postman" of January 6-9, 1705:

SINCE so many upstarts do daily publish one thing or another to counterfeit the original strops, for setting razors, penknives, lancets, etc., upon, and pretend them to be most excellent; the first author of the said strops, does hereby testify that all such sort of things are only made in imitation of the true ones, which are permitted to be sold by no one but Mr. Shipton, at John's Coffee House, in Exchange Alley, as hath been often mentioned in the Gazettes, to prevent people being further imposed upon.

An opposition notice appears shortly afterwards in the "Daily Courant" of January 11:

The Right Venetian Strops being the only fam'd ones made, as appears by the many thousands that have been sold, notwithstanding the many false shams and ridiculous pretenses, as "original," etc., that are almost every day published to promote the sale of counterfeits, and to lessen the great and truly wonderful fame of the Venetian Strops, which are most certainly the best in the world, for they will give razors, penknives, lancets, etc., such an exquisite fine, smooth, sharp, exact and durable edge, that the like was never known, which has been experienced by thousands of gentlemen in England, Scotland and Ireland. Are sold only at Mr. Allcraft's toy shop at the Blue Coat Boy, against the Royal Exchange, &c. &c.

3. Both oculists of some renown, who advertised largely.

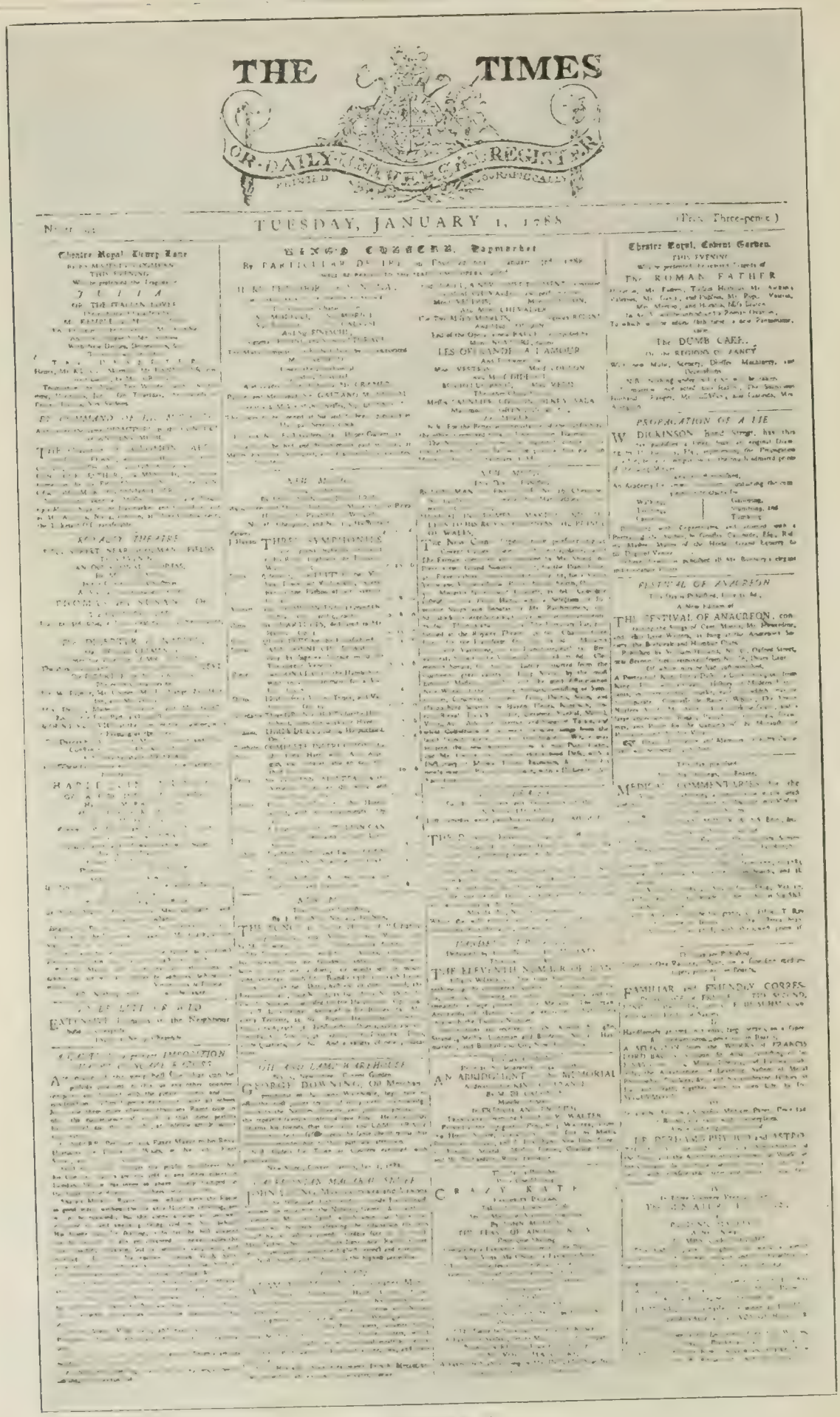

THE TIMES
OR DAILY UNIVERSAL REGISTER
PRINTED
TUESDAY, JANUARY 1, 1788
Theatre Royal, Covent Garden.
THE ROMAN FATHER
The DUMB CAKE.
PROPAGATION OF A LIE
FESTIVAL OF ANACREON
THE FESTIVAL OF ANACREON
FAMILIAR and FRIENDLY CORRES-
AN ABRIDGMENT
CRAZY KATE

FIGURE 6

From the earliest times lotteries and lottery merchants were one of the principal supports of advertising—flourishing in England from 1659 down to 1826, and were a source of large revenue to the government. These lotteries were advertised by town criers, in the newspapers, by hand-bills and in every conceivable way. The tickets were offered at public sales and fortunes were made and lost in a day.

American Advertising in 1811

Of course advertising appeared at a relatively late date in America. The first colonial papers contained advertising matter. It appears that the earliest American advertising was more humorous than moral and according to our later day standards much more humorous and moral than business-like. For instance, a grocer in Pennsylvania inscribed in large white letters on the fence of a graveyard, "Use Jones' bottled ale, if you would keep out of here." In 1811, a merchant in Newark. New Jersey, took a column of space in a local paper, left it entirely blank, and at the bottom said: "This space was sold to A. E. Brennan & Co., but as their business is sufficiently brisk already, they declined to use it."

This ancient practice finds so many disciples in the backwoods nowadays, that it is well to consider it the parent of the method of the modern banker who buys space and puts in it the equally senseless and innane "Compliments of the Podunk Bank."

In 1795 in order to demonstrate how early Americans awoke to the advantages of advertising, an English paper in speaking of American journalism said, "It is not uncommon to enumerate 350 advertisements in a single paper."

In some of the early issues of American newspapers we find the advertisements of bankers.

During the time of the State Bank issue we find many advertisements that were not at all complimentary to the banking houses that issued them.

We find column after column in the papers published in 1825 devoted to the publication of lists of banks whose paper currency was no longer good, alongside of paid puffs for the purpose of creating confidence in some banker.

Wild-Cat Banking in 1825-60

Up until the time of the civil war, owing to the varying state legislation and methods of management, as many kinds of banking were allowed as there were grades of honesty in the human make-up. When

ATCHISON, TOPEKA AND SANTA FE RAIL ROAD.
THE SHORTEST ROUTE TO COLORADO SPRINGS, SAN JUAN, AND NEW MEXICO.
FROM THE MISSOURI RIVER TO COLORADO AND NEW MEXICO.
Here we have the western homesteader, so called because he stays at home steady—when not otherwise engaged! See the hardy sons of toil looking off over the harder tons of soil. See their rude "dugout," dug out by the rood It is the poor man's castle. The winds of heaven may whistle over it, the locomotives may whistle around it, the wind and coyote may whistle through it, but the king of England cannot wet his whistle within a hundred miles of it. It is not a castle in the air but in the earth. It has only two rooms, the larger one being upon the outside. The front yard occupies one side of the roof, with a fine garden patch on the other. The dining-room is on wheels, thus securing every convenience in the way of light and ventilation. In summer the cooking is done on a neighboring "range," but in winter it is no trouble to get "stove up" on the inside of the house An ordinary cracker barrel makes a staving good chimney, and the light-winged smoke curling gracefully through the foliage of the clothes line lends an additional charm to border life

FIGURE 7

Avast there, messmate! What have we here? Ah! yes, a colony of sportive prairie dogs. The one on the left, with side whiskers, is a dog-star, an offshoot of Canicula and Sirus. The creature on the right is a dog-ma, whose faith and tail are as firmly rooted in Kansas as a tree in Lebanon. If anybody should observe to you, in the language of the day, "Shoot the prairie dog," don't try it, as the attempt will prove to be a useless prodigality of eyesight and ammunition. No prairie dog has ever yet yielded to the blandishments of powder and lead, although many accomplished Nimrods have wandered over the prairie region for years seeking to destroy these western poodles with the same success that attended Demetrius and Lysander, who sought each other's gore in the Athenian forests. When you fire at a prairie purp the report of the gun is not heard until eight minutes after the dog has retired to the seclusion of his underground apartment, and when you have discharged your farewell shot he rushes boldly forth and gazes at you as complacently as a silent partner in a peanut stand. Doggerel on the dog:

Steadfast on his own principles relying,
Scorning the rifle, the shotgun defying,
His tail on the wind, his eye on the knoll,
He yields not a hair but drops into his hole.

FIGURE 8

the national banking act was passed, a number of regulations were enacted by which banks were compelled to advertise their conditions. The banker got used to the idea of appearing in the public press and in 1892 one of the first books on advertising methods, written by Nathaniel Fowler, jr., a little talk on bank advertising appeared from which we can see reflected all of that conservatism and close observance of precedents, that have so long kept banking and bankers in leash to advertising failure.*

That bankers were not to be blamed for not becoming advertisers when advertising was in bondage to the charlatan and braggart, is not denied. Illustrations shown in Figures 7 and 8 show how the advertiser of early days thought he had to talk.

Recent Developments in Bank Advertising

It has been but within the past four or five years that banks and financial institutions in general have attempted to live up to the standard of advertising as practiced in the retail and general lines. The attitude has always been that conservative tendencies required the utmost care, and that has meant a development of prejudices and indifferentism to such an extent that bank advertising became ridiculous. There is no doubt in the minds of thinking men that many of the financial heresies of the day have been directly attributable to that persistent conservatism upon the part of the banking interests which prevented them from educating the public along the lines that would ultimately conserve their own interests to the best advantage.

Today, however, there is a change for the better. Bankers are commencing to realize their opportunity made more pressing by the fact that there is a reality in their plan; i. e., to educate the public at large in the mysteries of sound finance and the practice of good banking.

*While banks are supposed to be conservative, aristocratic institutions, no bank can afford to ignore all forms of advertising. The announcement of exchange and drafts is particularly recommended, and is known to bring into the bank new and increased business. If the bank be located in some large city, it can attract new business by constantly keeping the name before the public, occasionally printing the names of the officials and directors. If a large check passes through the bank, there is no necessity of telling the name of the signer, unless he be willing, but the mention of the size of the check is worthy of a place in the news columns of any local paper. Any bank is more under obligations to its depositors than are the depositors under obligations to the bank, and an occasional courtesy done in the way of presentation, such as check books, a little better bound and engraved than is usual, to the largest depositors, little memorandum books, or anything of labor-saving office or pocket use, certainly can do the bank no harm, and is liable to do it much good. No bank can well afford not to carry an unobtrusive standing card in the local papers. In every savings bank there is at least one clerk capable of preparing an interesting statistical article showing the value of systematic saving, which article will be gladly accepted and printed gratuitously in the local papers, with full credit given to the clerk and to the bank he works for.—**Building Business** (1892).

CHAPTER II

THE BANKER'S DUTY TO THE PUBLIC

THE SKEPTIC—THE GROWTH OF THE PRINTING AND PUBLISHING INDUSTRY—THE INEVITABLENESS OF ADVERTISING—ANALYSIS OF OUR SELLING CONDITIONS—NAPOLEON AND THE NEWSPAPERS—THE CHANGE OF ATTITUDE TOWARDS ADVERTISING—THE PUBLIC'S DEMAND—SAFETY THE FIRST DUTY—THE IDEAL BANKING CONDITION—THE SPECIAL FAVOR METHOD OF ADVERTISING—WHAT CREATIVE ADVERTISING CAN DO—GETTING AT THE CASH MONEY OF A COMMUNITY—THE SPEECH OF MR. CARSON HILDRETH, NEBRASKA BANKERS' ASSOCIATION—NO LONGER A MERELY NEGATIVE TONE—THE BORROWER AS WELL AS THE DEPOSITOR IS NOW GIVEN CARE—TEACHING THE PEOPLE WHAT TO DO—EX-GOVERNOR FRANCIS—BANKER IN POLITICS—THE TRUE PATRIOT—ECONOMIC QUESTIONS—THE YOUNG MAN ON THE GROUND FLOOR—THE FATAL ERROR OF LETTING WELL ENOUGH ALONE—THE AMERICAN BANKRUPT AND FALSE SENTIMENT—THE GOVERNMENT BY IGNORANT FEAR—PUBLIC CONFIDENCE AND THE TEACHINGS OF THE FRENCH REVOLUTION—THE DANGER OF BAD TEACHING—A WORK FOR THE AMERICAN BANKERS' ASSOCIATION

The Same Old Skeptic

EVERY NOW and then some one, like our good friend Dr. Johnson, arises and proclaims that advertising is being overdone.

Of the same tribe is the man who periodically announces that the country is going to the dogs. This same soul has decided that advertising is "a tax on the people." He cries loudly against being compelled to wear a branded collar of quality, rather than an unbranded one of inferior quality at an increased price.

Let us see how much advertising is doing to bring the nation to the brink of disaster and penury.

In 1905 W. S. Rossiter of the Federal Census Bureau said, that $111,298,691.00 was paid for subscriptions and copies of American publications, and at the same time $145,517,591.00 was paid for the use of the advertising columns. In 1880 the subscriptions and copy sales were $49,872,768.00 and the advertising $39,136,306.00. In the twenty-five years, we had increased our subscriptions $61,426,923.00 but our advertising, $106,381,285.00. In other words we found in twenty-five years' experience that advertising pays.

While in the foregoing there is no attempt to compare the relative amounts spent for subscriptions and advertising, because of the lessened cost of production that made possible the one cent paper, and the increase in circulation facilities, yet it is interesting to note the tremendous increase in advertising patronage.

Some Figures

In 1905 every man, woman and child in this country returned through the channels of trade $1.75 per capita for advertising

expenditure as against 78 cents in 1880, yet the vast increase in per capita consumption, production and wealth, makes an unfavorable comparison impossible.

In this country advertising is an economic necessity.

Why We Must Advertise

We have but to consider the tremendous distances to realize that we have no commercial counterpart in the world, for Siberia is but "a geographical expression." Probably every manufacturer can live for a time on the trade of his immediate community. He inevitably reaches a point, however, where he must either expand or contract. If he expands he must make a market. It is comparatively easy to do this when he has to send his salesmen, at most, but a few hundred miles through a thickly settled country. It is even easy to do it when he expands under the ægis of a flag that makes trade at the mouth of a cannon, as England did in China and India.

But this is a bloodless age.

We cannot *take* trade; we must make it.

Our salesmen cannot travel a thousand miles over expensive railroads on a purely missionary expedition. We may not go into strange sections and establish branch offices and wait for business. This is not according to economic business practice. We must create a demand before we may expect to gain much by any attempt to satisfy one.

If this be accepted as a truthful reflection of our selling conditions, it leaves us but one thing to do, we must send our message to the possible customer in some other way than by word of mouth.

This we are prepared to do.

We have made a bargain with the press. "We care not," we have said, "what you are in politics, in art, in music or literature, give us the advertising columns and we will conquer the world."

We are doing it for business.

Napoleon and the Press

Napoleon bowed to the power of the newspapers, "dreading four newspapers more than a thousand bayonets." Accepting his dictum, what would he have done in a country where twenty-six thousand papers make and mold and reflect the sentiments, convictions and passions of ninety millions of people?

He would have had a force according to his estimate, forty times greater than that Grand Army which he led across the plains of Russia in the autumn of 1812.

The American business man has made an ally of the press, co-operating and working shoulder to shoulder to accomplish the peaceful invasion of the nooks and corners of the world, wherever there may be found a man to read with money to spend.

Left to the Fakir

In the preceding chapter we have seen that it was the fakir and charlatan that made the most successful use of advertising in the beginnings of this method of attracting trade. This fakir had the honor of being the best and most consistent advertiser for almost a century of our business life. Twenty-five years ago times changed, and men, with that freedom from prejudice which is the saving power in our American-business life, said "Here is a mighty power; why should we leave it to the sharper and the fakir. Let's make it respectable," and they have. It has taken long, long years but it is now respectable and the men who make advertising are no longer considered slightly outside the pale of gentility.

Within the past ten years we have seen a great change come over the conservative houses which used to consider it not only undignified but highly improper to advertise. The writer remembers in 1893 a merchant, since dead, who argued to an unanswerable conclusion that it would hurt him irredeemably to advertise. His son is now one of the largest users of space in his city.

Today we have a far different story to tell—and the story is spreading beyond the confines of our own country. We see evidences of it in the "rockribbed," intolerant, pugnacious conservatism of the English papers, and in those of France, while Germany is following as fast as Teutonic thoroughness of approach will permit, and Japan is doing weird things with American methods Nipponized in print.

"The Greatest Single Force"

The people have demanded this changed condition. They prefer to read an advertisement in their own homes where they may compare and judge, freely make up their mind to investigate and then act as they deem best, on the conclusion. As a great merchant once said in an address before a class of business college graduates: "Advertising is an economizer of the public time, it saves thought and worry, as well as it tells the business news of the day, and you will be wise to study its principles, for it is destined to become the greatest single force in our commercial supremacy of the morrow."

The banker's first duty to his people is to provide a safe place in which they may put their money, to give them a small profit for their savings and to help those who would release a portion of their capital from the bondage of hard assets, to make it profitable. So long as there were few banks this could be accomplished by a negative policy of inaction; i. e., waiting for the people to come.

When, however, a bank opens its doors to business it must be successful.

It cannot afford to be anything else but progressive and growing.

Bankers Yielding to Pressure

Today banking success does not go to the inactive banker. Stockholders expect dividends, depositors want the security of success. The bank which stays at home, narrows its interests to a small circle of local people, can neither give nor take in a way to do that circle the most good.

Good banking is always conservative, but it is not standing still.

The bank has credit to sell.

Its terms are so-and-so and it will sell that credit to any reputable, solvent business man.

Comparisons will bring out another thought.

The retailer sells goods.

The terms are so-and-so, and he will sell them to anyone with cash, or to any reputable, solvent buyer.

If the retailer advertises judiciously he sells all he can buy and he turns his investment over and over, according to his ability. When he has old stock clinging to the upper shelves what does he do with it? Wrap it up in camphor—tuck it away in a warehouse—take it to the second-hand shop—try to work it off on some unsuspecting customer? No, he cuts the price and by advertising, makes it sell, to get his money for more profitable use elsewhere.

The Banker's Object

The banker's object is two-fold—to attract money to his bank and to attract good risks in order that he may make a profit. He needs money. He needs borrowers. He needs money from people who will not come back on the morrow and want to borrow all of it. He wants money from people who have no favors to ask in order that he may buy the obligations of those who can ask no favors.

He knows that to be the ideal banking condition.

Carrying the comparison even further, we see how closely banking resembles the retail business on a cash basis.

Mr. Bullion's Old Method

In reality the method of gaining trade has been somewhat different. The banker has called on Mr. Bullion and said: "We have always keenly desired your account, Mr. Bullion, and we have many times regretted our apparent inability to interest you. We know you carry balances at the Fourth and at the Child's. Our bank is prepared to offer you equal, if not better advantages, in the way of accommodations, probably a quarter more on your daily balance," etc., etc. Mr. Bullion may pass a generous amount of his funds to the bank, and then figures on how he can use the new connection in the matter of the Gas Company bonds he is finding some difficulty in floating.

Favors Mr. Jones

Another case, the banker calls on Mr. David Jones, a member of the president's vestry—a manufacturer employing a thousand men, a director in the Country Club—an Odd Fellow and a Board of Trade light, not to mention a member of the most exclusive social set, and he has money and influence. His name as a vestryman, manufacturer, lodgeman, should be worth a number of savings deposits, as well as direct business with the commercial side, from his business connections.

Jones, of course, is flattered,—and borrows some of the money he influences.

There is always a *quid pro quo* in this style of banking, and a constant balancing of interests in order to maintain the proper relation.

Not by any means is this a dishonest practice, nor does it necessarily work into bad practice, but both Mr. Bullion and Mr. Jones sometimes have a little bit better done for them than for others of equal credit.

The main point to be brought out here is—the banker who goes after Mr. Bullion and Mr. Jones gets advertising through their name and position, *and he has to pay for it.*

Suppose the same effort, the same investment in special concessions, caused by Bullion and Jones, were used in educating the thousands of wage earners, small investors, business men, home owners and farmers of the territory for miles around, how to save, how to get and hold banking credit, would it not be more to the point?

Suppose this advertising coaxed out of the tea caddy, the stocking and the old wallet, the savings of years.

Suppose it made a few spendthrifts stop, consider and act. Suppose all the old, dusty, dead money of the community was brought back to life and put to work. Wouldn't that bank be in a better position to take care of the community, and wouldn't it be accomplishing a greater service to its stockholders and depositors?

Advertising Accomplishes a Plain Duty

This is creative advertising and is it not accomplishing a duty better, more sanely and completely than in the old way which is built on special privilege alone?

Of course the personal solicitation will continue but it will have a different office.

But banks are commencing to advertise.

Banking was the last great division of business to realize the importance and economic value of advertising. That needs, however, but little explanation because it was a part of the very training of the elder generation of bankers that it should hold itself aloof from many things, in particular a bank should not appear to *want* business. For many years the banker was apparently totally blind to the opportunity that advertising gave him to accomplish his "manifest destiny."

Shrinking From a Bold Step

Naturally he seemed to shrink from that bold step out into the arena, which advertising necessitated. It was not until advertisers became bankers, as directors and officers, that bank advertising became a real thing. That the departure was due to a desire to serve any high ethical ideals, I may not be charged with being unduly cynical when I say, there can be little doubt but what ethics had nothing to do with it.

The banks wanted the business.

Especially is this true when we find that the trust companies, a modern development, had commenced to make use of the advertising columns thereby poaching on the bank's preserves—the cash money in the community.

As the majority of the trust company officials were business men who had no ideals or ethics to consider, they got the business. The banks were shaken out of their air-tight, cold-storage attitude, and at once commenced to talk about laws to regulate the bad trust companies that had come in and beat them at the business. This failed, because the public wanted trust companies as the latter really acted as if they wanted the public's business. The trust companies multiplied and waxed prosperous.

Yet the position of the banker, and by banker I mean the commercial, savings, trust company, private, national and state banker, is much more than a business man in the ordinary sense of the word. He is a quasi public character. As such he has many privileges but he has duties, and it is these latter which have called to him loud and long to come out into the open, to be seen and heard and understood by the people.

Privileges Beget Duties

There is an ethical side to banking best served by publicity.

I do not remember to have read anything more completely reflective of the true position and duty of the banker, than a speech delivered before the Nebraska Bankers' Association by Mr. Carson Hildreth, president of the Franklin State Bank, Franklin, Nebraska.

Excerpts are given here, every word of which is worth careful reading:

"The banker is no longer merely a negative force in his community. In this day he must fill a larger place. * * * A generation ago a bank was relatively little used; today it is the organ through which pulsates the arterial blood of the community's vital affairs. * * *

The Community's Vital Blood

"Communities have changed. In those days the people made but infrequent use of the bank, and looked upon it as a depositary alone: in these days it is the people's clearing house; they use it daily and hourly, and their credit there is their chief resource and their main asset. * * *

"The merchant reads the morning reports, and finds one of the commodities in which he deals upon a low market. He visits his banker, arranges for the necessary credit and perhaps sends his order by wire. The whole transaction may originate and be completed possibly within an hour—without any money being handled, and without the merchant withdrawing from his regular business a single dollar. The bank again has made profits possible to its customer, the merchant, and has again served its economic purpose.

"Bankers have changed. In earlier days, the concern of the banker was carefully to guard the funds placed in his keeping, and return them on demand; in these later days, the bank undertakes to provide the means upon which businesses are created, and by which the material affairs of the community are developed. Upon the intelligent conduct of the bank of today depends in a great measure, not

only the safety of the depositor as before, but the prosperity of the bank's patron and the welfare of the community.

"Under the old banking conditions, the depositor was given the chief thought; under new banking conditions, the borrower is given equal care.

He Must Add Aggressiveness

"The progressive banker must have all the qualifications of the old-time conservative banker—caution, thoughtful and intelligent care. courage and character; but he must add to his qualifications aggressiveness. He must enter the arena of affairs. It is not left open to him to be aggressive or not aggressive. The banker of today *must* be aggressive—not with the selfish purpose of contending for business, but that his bank may fill its economic place in the community and justify its right to be.

"In syllogistic terms, using one of the old-time conceptions of a bank as first premise—to be conservative was to succeed; it is the progressive banker, who today succeeds, because he meets the economic demands of his community; it is therefore the progressive banker today who is conservative.

The World Moves

"The world moves. The world of events goes steadily forward with a force irresistible, and bankers must recognize and meet changing conditions just as men recognize and meet changing conditions in other fields.

"Take the mercantile line. What would be the result, if the great wholesale house, the city retailer or the country store, had no thought to study the needs of their trade? It would not be long till the iron shutters of the one would not open to the morning sun, and the doors of the others would be closed by due process of law.

"Take the factory. In this day of keenest competition supposing its economic place or product were disregarded, how long would it be before its wheels ceased to turn?

"Take the professional lines. Imagine a physician or a lawyer undertaking to hold his practice, if his only thought were to make money, and he had no conception of his economic and ethical place in the community.

"So with the banker. The man in the banking business, whose sole or chief thought is to pile up profits, with but little understanding of the economic purpose of his business, would much better for his own good, certainly for the community's welfare, enter some less responsible line.

"Incumbent upon the banker is one of the most potent and important economic functions in modern conditions, and that is the gathering up of the surplus earnings of the people and throwing them back into the trade and into the development of the industries. This can be fully done only by educating the people to understand the profit to the banker of their small deposits and the economic value to the community of their deposits in the aggregate.

People Need Educating

"If it be said that the people are thoughtless or selfish in the hoarding and secreting of their funds, then the banker's problem is to educate them to realize their interest in the banker and their obligation to the community. But they are not selfish. The most serious charge that can be brought against them is that they may not fully realize their relation to the banker and community. Over against this mild indictment they must be credited with a willingness to properly fulfill these relations, when they understand their friendly obligation to the banker, and their economic obligation to the community.

"About a year ago I made a test of the fact just stated by sending out a circular letter, in which appeared the following paragraph:

A Circular Letter

The bank appreciates small accounts. Do not carry the money around in your pocket, but put it in your deposit at the bank each day, and check it out as needed. Men often carry money in their pockets without thinking of the benefit it would be to the bank. If 100 men who carry $20 each in their pockets would all keep this deposited and check as needed, it would mean $2,000 additional deposits for the bank. There are thousands of dollars today in the pockets and in the homes of our friends that would be of value to the bank and to the community, if it were deposited in the bank and put into circulation in the community. Much of this idle money is not purposely withheld, but it is because these friends have never thought of the bank and the community side of it. I cordially invite you to carry an account with us, however small it may be. This will be of value to our bank and of benefit to the community.

"For days and weeks following the sending out of the above circular letter men continued to drop into my bank and make $20 deposits. The response became so pronounced that it touched a tender spot and made me feel a closer relation and greater obligation to my depositors, because I saw in this response a genuine friendship for my bank and a desire to subserve the general community interests. * * *

"A percentage of the money of today is in secret places and not in banks. This not only curtails our circulation, causing trade to suffer, but our industries are getting along in a halting manner, because of the inactivity of these unproductive funds—one part of the community's resources not performing its function. Our community ledger is out of balance because of this suspense account. * * *

Devotes Time, Energy and Money to Public

"The progressive banker has other relations to the community than those of a material nature. Formerly the banker isolated himself from his neighbors and had no thought of bearing responsibility in public affairs. Now a better and wiser conception has developed, and the able assistance and the scrupulous influence of the banker is engaged for the weal of his town or city. The progressive banker of today devotes time, energy and funds to the public interests—not in the capacity of a banker or to enhance the interests of his bank, but to fill his own individual economic place in human affairs. The progressive banker must in the nature of things be a man of intelligence and ability and a man with high ideals. The citizen with these qualities has no right to deprive his community of the benefit of such qualities. The banker who devotes all his thought, skill and resources to the increase of the earnings of his bank, is a selfish banker, ungrateful to the community from which he gains his business. There is a law of compensation, and a community has a right to expect from its businesses and citizens a just return for the benefits such business and citizens draw from the community.

If Selfish not a Good Banker

"Again, upon every citizen rests obligations of an ethical nature, and upon no citizen does this responsibility rest more clearly than upon the banker. The banker is clear of thought, practical in his conceptions, and prudent in his counsels. If he is willing to deny his community the benefit of his abilities and labors he is again a selfish man and not a progressive banker.

"David R. Francis, ex-president of the Louisiana Purchase Exposition, now president of the Trans-Mississippi Commercial Congress, in his address before the American Bankers' Association at St. Louis, said: 'In these times of knowledge and thought on the part of the people, a successful banker must be something more than a mere custodian of money. In any community, however large or small, the banker is looked to for assistance and guidance in every movement, whether it be commercial or social or political or charitable.'

"Governor Francis further related that 'there has been a decided change in the feeling of the public toward those engaged in the banking business' and said, 'the change is attributed first, to the higher standards which have obtained in the banking business, and next, to greater intelligence on the part of the general public who realize that after all, bankers are as much interested, if not more, than other citizens, in the welfare of the communities in which they live.' Gov. Francis

still further said, 'Bankers should not lose sight of the fact that they can best conserve the interests of their stockholders by keeping constantly in view the well-being of the section over which their business extends, as well as the welfare of the entire community.'

"If it is within the comprehension of the banker's brain, and if his pulse-beat is responsive to the commercial, moral and benevolent needs of his patrons and community, then the banker approaches the fulfillment of his true functions of banker and citizen.

A New Citizenship is Growing Up

"A new citizenship is growing up, and I submit there is no higher conception of the purpose and destiny of life than good citizenship. First in importance is this good citizenship. Far from being an embarrassment, happy and fortunate it is that operations in the legitimate lines of business are in harmony with and contributory to this good citizenship. Again, in the public mind is a rapidly developing recognition of and response to this good citizenship.

"What is it in Roosevelt that appeals to the American people? It is not that he is President. It is his rugged honesty and his willingness, nay, eagerness, to grapple with the problems of human interest.

"Bankers should be conservative, presidents and governors should be conservative; but conservatism does not spell policy, fear of injury to political chances or business interests. It does not mean that either president, governor or business man shall stay out of the activities of men.

Safeguard the Public Interests

"Bankers today are concerned in proper bank legislation, legislation that will not only facilitate and protect banking, but will safeguard public interests.

"In former times businesses and professions did not initiate or seek legislation for the regulation of their respective classes of business, but rather resisted or defeated legislation looking to such control. Legislation then originated with the people. Today, the broad and progressive banker, from his vantage ground of long experience and wide observation, as a student of finance, is studying the needs of the whole people and helping to incorporate these regulations of his own business into just and sufficient laws.

"It was said from the platform of the American Bankers' Association, representing 8,300 banks, that 'the old policy or conception was the welfare of the Association; today it is the welfare of the

public.' This is the spirit of the age in good citizenship, and this is the spirit of the day among progressive bankers. * * *

"It has long been in the minds of bankers that they should stay out of politics—but this was of the old school. The belief is now but a tradition. It belongs not to the live present, but to the dead past. The civic affairs of our land, whether in city or hamlet, need the intelligent care of our bankers as much as any department of our human affairs.

"Alike in country districts and in populous centers, civil affairs, taxation, public improvements, educational facilities, moral surroundings, depend upon political results. Should bankers stay out of politics?

Seeking to Control Politics

"In the land today, East and West, we have the spectacle, and have had it many years, of great corporations seeking by every possible power to control our politics—through one party, if by chance they might retain control of that party; if not, then to turn upon that party and with the treachery of a Moro, undertake to knife it to the death. Mark you, this effort to bring about the success or defeat of this party or that is not inspired by belief in the tenets of one party or the other, as it is with you and with me, but is to serve selfish ends.

"Corporations are legitimate, necessary and wise provisions under the law. A dollar of corporate money or property is as sacred as the dollar of the farmer or of the smith at the forge. Corporations have great interests to protect and conserve, and it is the duty of every good citizen to help protect these vested interests. It can be said with equal force, however, that every business has its interests, equally great to it, to protect and conserve. May we not therefore reasonably demand that corporate interests stand upon the same footing with private interests?

Shall Bankers Stay Out of Politics?

"If great corporate interests, because of their power, are not willing to recognize this demand, what shall we as banker-citizens do? Are we willing to remain disfranchised and leave our political parties in the control of said great selfish interests? Shall bankers stay out of politics?

"We American people play too small politics. The caucus, convention and election must have our vigorous care. Too momentous are the results of indifference and neglect. From no class of citizens can the public justly and reasonably expect greater service in the political affairs of the community than from its bankers. As in the community, so in the state and in national affairs.

"Fear of injuring the business? If a man as banker can not safely assert his convictions and freely carry out the duties of common citizenship, if he must thus be subordinated by his business, he better speedily enter some other line of business. However, this is not necessary; this fear is but a shadow, there is nothing to it. On the other hand, his constituency will in the end give him greater respect and more loyal support. Have done with trimming, truckling, caution, policy—a habit of thought unworthy of any man in any position or field.

The Banker Quasi-Public Official

"Governor Francis, in the address already referred to, said that bankers exert greater influence and wield more power throughout the country than any like number of men in any other pursuit of life.' Governor Francis thought, however, to sound a note of warning, for he said: 'The banker is a quasi-public official whose habits and character are carefully scrutinized by the community in which he lives, and by all the territory over which his business extends. His influence is co-extensive with that jurisdiction, and he must likewise expect the fate of all public and semi-public men in that his course and position upon the different questions are subject to attack, and even to malicious criticism. The only remedy for this is one beyond our power—and that is a change in human nature so that the qualities of envy and jealousy shall be eliminated therefrom.'

"So be it. The warning inspires no fear, but serves rather to nerve the true banker to his broader moral tasks. In our country's needs the true patriot invites conflict.

This Kind to be Pitied

"Property has but small relative value in the human economics. Every man should properly provide this desirable and necessary factor in his own life and in the lives of those dependent upon him. It would be criminal for him not to strive to gain wealth sufficient for the needs, enjoyment and development of those under his care. Industry, diligence and persistent effort are all justified and to be commended. But the man who in his money-making has fallen into the habit of life until it absorbs his every thought, shuts out the humanities, blinds him to the community's demand upon him, and in some cases leads him to questionable methods in his business. Such a man is to be pitied, and such a life deplored. Such a man could not be a progressive banker. The gaining of wealth is secondary to and properly attendant upon the amenities and higher duties of life.

"What is property? What is distinction? What is power? It is the substanceless shell. The real thing is the integrity of thought, the

consciousness of the duties of life. Life is too serious and fraught with too great responsibilities to go through it in a thoughtless or superficial way.

Should Be Independent

"Every citizen, be he lawyer, minister, merchant or banker, should be on an absolutely independent economic basis—independent in the sense of paying his own way: first, that he may be on an absolutely independent social, civic and political basis; and second, that his influence and prestige may be not impaired.

"Bankers have been too much favored, and have been too much inclined to accept and to expect favors. It has been a natural result in the conditions of the past and the fraternity is not to be censured for it; but in the light of these later days and in view of the growth of public sentiment, the practice of accepting free things and special favors, is neither warranted nor profitable. It puts the banker in a class, out of touch and harmony with the people upon whose good will his business largely depends.

The Practice of Special Privilege Dangerous

"The practice of special privileges rests upon neither the true social nor economic basis. It rests upon exactly the opposite basis. The man who receives the free ticket of whatever nature or special privilege of whatever kind, as a rule, is the man who can best afford to pay for it. Who in the final analysis does in fact pay for these special advantages and favors? It is the man who does not receive them and can least afford to pay for them. The system is wrong. It has grown up in an insidious manner. In some classes of special privileges the practice has grown up innocently enough. In others, it has been by evil design. In either case there is manifestly an economic, if not a social injustice done.

Injury to the Banker and to Banking

"To repeat, the general practice of accepting and seeking special privileges is wrong in principle and damaging in its effects upon the human race. It is an injury to the recipient and an injustice to the community. It has worked the ruination of many a man. It has dwarfed the character and curtailed the career of not a few young men. The picture of the man who has the habit of expecting and depending upon favors is one of the somber, if not sad pictures of life. The practice is a barnacle upon the body politic. Sturdy young manhood pays its way. Thinking men insist on standing upon an equality with their fellow citizens in matters of privilege. The body politic demands this type of citizenship.

"The purpose of this discussion is not only to bring out for our own delectation the economic, ethical and political relation of the banker to

the community, but also to bring the fact before the public, who are our depositors and our borrowers, that we comprehend our proper relation to them and to the community and are undertaking to fulfill this relation.

Willing to Share in the Duties of Citizenship

"To sum up, the progressive banker is a banker who recognizes the economic relation of his bank to the community; who looks upon his bank as a clearing house, a public institution established and maintained to daily meet the public needs, and hence loses sight of his personal ownership; who regards himself as a public official, as a steward handling and protecting the public funds; who aggressively enters the field of business activities, not to take business from rival banks, but to create and develop new business; who is conscious of his personal obligation to public interests; who, while first safeguarding and conserving the sacred interests in his hands, of both depositor and stockholder, devotes time, energy, and money to public affairs; who is not forgetful of the needs of the bank's constituency; who has ability and judgment, supplemented by integrity of life; who emphasizes good citizenship; who is willing to share in the financial, moral and political demands of his community and state and throw his personal influence into the equation for public and private good; who attends bankers' conventions and keeps abreast of the banking customs and thought."

Not one of us can quarrel with any of Mr. Hildreth's conclusions or opinions, yet how many bankers have realized even in a small degree the ideal he has set? There is another side to the subject to which Mr. Hildreth gave but a passing generalization.

It is the duty of the banker to teach men how to do the best thing, and to teach it actively, persistently, aggressively. His first duty is toward the largest class. We, as a nation are spendthrifts. We make money quickly and we circulate it without tying a string to much of it.

Making Larger Depositors out of Small

The latter suggestion I think is entirely ignored. There are a large number of savings banks depositors who put away one to five dollars a week who could put away five to ten with no material inconvenience.

Another thing, frequently salaried men carry several hundred dollars in their commercial accounts who have actual need of but a hundred or so. These should be encouraged to carry more in their savings accounts, where there is less temptation to spend it foolishly or take it out for wildcat investment.

The most progressive savings bank men get close to and hold depositors by offering to help in determining the value of investments.

Hundreds of thousands of dollars are drawn every month from the savings banks to be invested in fraudulent stocks, gold mining, oil and plantation schemes. If the savings bank officers were fully alive to their duty and their opportunity, this loss to themselves and their customers might be prevented by a word of advice.

I remember noticing one day, during the Alaska gold excitement, a young man standing by the door as I went into a large Philadelphia savings institution. He looked at me as if he would like to speak, and I turned saying:

"Do you want to find some one?"

"Yes," he said, as his face cleared, and smiling rather doubtfully, he continued, "I want some advice. You see I am employed in a wholesale house and have been married three years. We have saved up a little money, about $800.00, and I have a chance to get in on the ground floor with an Alaskan company where I can get $2,000.00 worth of stock for $500.00. I want to make more money," he went on eagerly, "and they say this is going to pay at least ten per cent. as soon as they commence to take out the gold."

An Experience in Philadelphia

"My dear friend," I replied, "you certainly do want advice," and a guardian, I was about to say, but his eager earnestness stopped the jibe.

"Go into President ——— office and tell him what you have told me. Do as he tells you to do—don't think him a hidebound, old fogy for telling you what I know he will tell you. But do it—get this get-rich-quick idea out of your head. Devote your brains to your work and quit dreaming. Follow the advice you will get and do not be persuaded to do anything else."

He left me. In about fifteen minutes he came out and went around to the savings side and put his money back, to draw its little 3 per cent.

There are thousands who are in the same position.

The Old Style Banker's Cold Dignity

To them a bank president is a high dignitary, impossible of approach. They are afraid of the pitying smile and the condescending word.

This large class of ignorant people—ignorant of financial things, I mean—need to be taught for other reasons.

Education protects the great masses of the people against false financial theories. What would the banks do today if it wasn't for the

little depositor who entrusts his money to them, as a safeguard and asks no favors. It is from this class of depositors that the bank gets the money to grant favors.

Criminally Lax

When education is criminally lax, any man with a specious theory, from that of greenbacks to free silver, may arise and the banker needs, as he generally does, grow pale with apprehension.

The thousands of dollars spent by the financial interests of this country to educate the people in the principles of sound money in the campaign of 1896, when Mr. Bryan first swept the country with his silver propaganda, was money that should have been spent years before.

Yet the banks seem to have learned a small lesson from that experience.

When the momentary battle was won they again retired to a contemplation of interest and discount.

That expense was enormous—and much of it was useless because it had to be done without any well reasoned plan of education.

The lesson was not thoroughly taught and not thoroughly learned, because politics has quite a different ideal and purpose from that of education.

In the year of 1907 we had the greatest prosperity the country has ever known—we learned lessons of prodigality instead of frugality, of spending instead of saving; we pinned our faith blindly to the most fickle of goddesses, Good Fortune.

Tight Money of 1907 and Its Lessons

Before this reached the press the reaction of "tight money" was on. It was curious to watch how the banking interests met the issue. The more prominent and worldly-wise gave out a few interviews, some made speeches breathing confidence, and all privately cut down their loans. A surprisingly few came out in their advertising space to talk to the public, face to face, about what the public should do.

Where was and is, always, the seat of such trouble?

With the masses.

If the masses bought with greater discretion—if they sought less pleasure—if they gave more thought to the rainy day, there would be a more sedate and logical retail and wholesale and manufacturing movement.

The Theory of "Reasonable Savings"

Bankers should not preach in such a condition as 1908, the penurious refusal to spend, but more completely the theory of reasonable savings.

The truth of the matter is, the banker loans the money the employee deposits, to the merchant, who by seductive advertising and sales methods gets more of the salary each week.

This process is natural, but the banker is confronted with this inevitable result—that when the reaction comes he will have much paper jeopardized through having hundreds of his erstwhile depositors in a hole.

A community, as well as a state and a nation, is prosperous only when the capital is distributed per capita. There can be little true prosperity when a retailer has had a good season, has procured a large stock of goods in expectation of a flourishing trade, and tight money comes, and his purchasers, having no reserves, must make immediate and radical cuts in their average expenditures. Under such pressure trade suffers a tremendous shrinkage and houses topple like bricks set in a row.

The whole fabric is so interwoven that none can escape the fatal error of over-buying.

The banker owes it to himself to preach thrift, economy, saving every day and every year; it is not conservatism, it is just plain common sense.

He should talk it in his advertising; he should talk it personally and in the long run he will find it of value to him and to his bank, and a faith producer second to none in efficiency.

Every-day Financial Truths

In advertising to that class who know all about banks and their work, we find another brand of ignorance almost as profound as that of the masses. It is the ignorance of every-day financial truths in relation to business. In the mere matter of credits alone the American business man is wandering in outer darkness.

In no country in the world, given to commercial ambitions, have we so many laws flung higgledy-piggledy over the subject of contractual relations, as in this country.

Ask any business man of ordinary intelligence to give you a comprehensive definition of "Credit," and you will get a refreshing exhibition of intellectual chaos expressing itself.

Even bankers have been found ignorant of some of the commonest laws governing commercial paper. It is only a beautiful and serene optimism that holds whole business communities together.

Even Bankers are Ignorant

Banking is too often considered an art, with no scientific laws to guide it. I have had the youthful enthusiast tell me that many things in America have outraged all rules of the game, and won. True—but the cost has been enormous. More of our banks fail, more of our business ventures fail, than in any country on earth. Read the figures in our last reports. We have more bankrupts than any other country. Instead of a badge of ignominy bankruptcy is generally considered a mere plea in confession and avoidance, and there is an eager willingness to "give the fellow another chance."

It will be an ill day indeed when bankruptcy will be a bar to "another chance;" but we make no distinctions.

If a man over-buys and fails, if he is the victim of adverse circumstances, if it is the result of an honest error of judgment—it is right to forget and forgive.

But when high living and higher gaming, fast women and faster horses, combine to put a man in a bankrupt's court, we should be loath to take his first whimper as an evidence of heartfelt repentance.

Theoretically every man, woman and child pays something for every bankrupt. The payment is not only in an increase of commercial cynicism and a gain in hard, cold indifference to the appeal of just error, but it is a payment in actual money. It may be individually infinitesimal, it is true, but it is sometimes large, when the failure of large enterprises, such as those which startled our country in 1907-'08 brings banks and trust companies together to the ground, and ties up large amounts of deposits.

The banker must be an educational force. The time is past when he can sit in his office and personally see all his depositors. He has to talk to them through subordinates and informally through speeches. He should use printers' ink liberally.

Ignorance the Greatest Menace to Security

If people knew more about banks and banking there would not be the same danger of panics and runs. It is because we are ignorant that we are so easily scared.

There is no fright like the insane fear of the ignoramus.

It is good business to realize these things.

It is good business to be the kind of a banker described by Mr. Hildreth. We have seen the other kind of a banker, the selfish, grasping, greedy, cold-blooded man of money, win and succeed for a time, but he has to get out of the banking business.

The Cold-Blooded Banker Can't Last

He can't last.

The public, after all, has to give him his money to work with. He has to have the public confidence. In the near and far to come he will have to have more of that confidence and faith that can, indeed "remove mountains."

We are the only country in the world that can make so little cash do so much. Our banking system, our people's faith in our banks and their willingness to back them up, make this possible. Yet there is a time close at hand when a different standard than that of the past will have to be adopted.

Don't ignore the people.

You may despise them; you may pity them; but you can't ignore them.

After all theories and force and economies and laws have failed, there still remains the fact that five men can do more harm than one—a mob may put a snuffer on civilzation for an hour, a day, yes—even a year. Read history a little, and don't forget Carlyle's *French Revolution.*

When you have read that go back a few years in your own country's financial history and read the story of Black Friday.

It will teach the analytical man several lessons, and it should give him a more complete grasp of the essentials of the case.

Advertising is nothing but teaching—teaching people to think about a particular thing and act, as you want them to think and act about it.

Teaching commences at the beginnings, so should advertising.

Who Will Do This Work?

Who will do this teaching?

Shall we look to the church—to the press? both preach honesty and energy—but they are but beginnings and do not show *how* and *why.*

The law is a trouble maker and comes when Hope has fled, rather than lures her to contentment.

Chicago Banker Warns Of Fake Promoters and Get-Rich-Quick Schemes

CHICAGO, April 19.—"Keep your hand on your pocketbook as you travel through life—first, to give always in proportion to your means to those who are poorer; second, to hold from those who would take through force or fraud what you need for yourself and yours. You will then have your hand where most other fellows have only their eyes."

This is the rule of life Charles G. Dawes, president of the Central Trust Co. of Illinois and former comptroller of the currency, advocates in a warning to small investors against the specious advertisements of get-rich-quick concerns, in a copyrighted article in the current issue of the Saturday Evening Post. The Chicago banker has little patience with the person who invests before thorough investigation, and has a sharp dagger for the promoter of questionable mines and plantations.

"Poor fool, the man who follows off a bunco-steerer is more excusable than you," writes Mr. Dawes. "He has at least had the opportunity of passing a hasty judgment upon the personal appearance of the scoundrel who is after his money. You are simply biting on a hook with the bait half off, without seeing whether the fisherman looks benevolent.

"These are the days when the bankers listen to the confidences of the unfortunates who have been buying stocks on 'straight tips' and who bring in their remaining sound collaterals to borrow enough to pay up their losses with the brokers. How quiet they are—these same men who were telling a few months ago how they bought this or that stock upon which their judgment had been vindicated by this or that profit. We hear of the successes; but of the failures which outnumber them we seldom hear except when stern necessity reveals them. But our sympathies are not so much excited by this class of fools."

Turning on the fake promoters, Mr. Dawes writes:

"Bloodsuckers, scoundrels — these names sound too mild for them. Before the eyes of an honest and experienced business man they would cringe and whine like egg-sucking dogs caught in the act.

"How far away seem the days of the millenium when we see such men parading as the friends of the poor and at the same time offering to sell them speculative stocks.

"And what is the result? Led like sheep to the slaughter, a long procession of the misguided poor are parting with the savings which have been made possible by the most magnificent season of prosperity the nation has ever known. Many a poor wretch, drawing his savings-bank account now in the hope of getting rich quick, will, in the coming years of industrial depression, wander the streets of our cities without work and without bread. God give us common sense."

FIGURE 1

Shall we not look then to the men who take our money and make money with it, who loan us other money at a profit, to show us better how to give them more and equip us to justly ask more of them?

Some bankers are realizing this.

Mr. Dawes Knows Its Value

We see some of the talk in the advertising as shown in Figure 1, reproduced from a daily newspaper, and probably primed in hundreds of others throughout the country. Mr. Dawes knows the value of publicity and so does his bank—for he has seen the value of advertising when Comptroller of the Currency.

Again in Figure 2, we have one of a series of advertisements used by the First National Bank, Washington, N. J. I reproduce more of the advertisements of this bank as the discussion progresses. The copy is generally pointed, clear cut and interesting and shows what can be done to make bank advertising uncommon and interesting.

There is another side to the problem the banker must face in his endeavor to hold the public to a safe and sane consideration of the money and work side of life. The yellow press needs to be curbed—the banker needs to fight it by counter education. Look at Figure 3.

That is the kind of talk every day absorbed by nearly a million wage-earners. Is it any wonder that a lot of the savings stay in the tea caddies, the unused stove, the old stocking in a corner of the closet? because these talks have made the ignorant, unthinking, unlearned men afraid to trust their savings to the "pigs."

These same publications, however, have been publishing page after page of fake investment company advertising, and because such papers are supposed to be fighting the battle of the people, the wage-earner and the ignorant small saver think they are getting a chance to "get to the trough."

This is a very real menace to the security of our finance and to our national sanity on financial topics. Bankers alone can fight it only by the active propaganda. They have the great body of the press on their side and can accomplish a tremendous thing in obtaining a better condition of the public mind.

The A. B. A. Could do Great Work

The American Bankers' Association could do great good work in this way.

If a government can levy a special tax to advertise tea, as Ceylon did several years ago, we see no reason why the association could not

Get rich quick schemes are so plentiful and so enticing—were you ever the victim or a dupe? Wall Street operators are not the only ones who have lost on "shrinkage of undigested securities."

Many good people residing not a thousand miles from Washington, N. J., have been the victims of Wild Cat schemes. The promoters are so persuasive, so oily and smooth, your money is so safe, your profits so sure and so big—and then, the the awakening to the fact that your money is gone —the scheme was a fake. How bitter a pill to swallow. Lots of folk have been taking this kind of medicine.

BE WARNED IN TIME. Don't take any such risks for the sake of apparent better profits or greater interest Better begin the new year by depositing your money in the Savings Department of the old

FIRST NATIONAL BANK

of Washington, N. J., where it will be secured by nearly a Million Dollars of good assets and earning 3 per cent interest. There is no risk on your part as the Bank has a surplus larger than the Capital. You can start such an account at any time.

JOSEPH B. CORNISH, President.

WM. S. RITTENHOUSE, Cashier.

FIGURE 2

EDITORIAL SECTION

POLITICS ART — SCIENCE-LITERATURE

CHICAGO, JANUARY 20, 1907

PROSPERITY AND PIGS.

The number of the pigs seems to be increased by the extent of the prosperity. And the ordinary view of prosperity seems to be a good deal of a pig view. "Plenty of pig-wash for me, never mind the other fellow," seems to be the chief motto in our prosperity.

This is a pretty good picture by Mr. Sauer, isn't it? It ought to make many of us forever talking about "PROSPERITY" stop and think just what we MEAN by that word.

It should interest the gentlemen kneeling at the trough, the men of the hundred and of the thousand millions.

But they are so busy gobbling down the golden pig wash that they have scarcely time to think of anything else, scarcely a moment to take their noses out of the trough.

Prosperity is a pretty word and romantic too. It is based on the Latin word "spes," meaning HOPE.

Hope, the root of prosperity, is in all of us. But certainly HOPE among human beings should mean more than modern PROSPERITY means to the average enterprising American of this day. There should be something ideal, something unselfish, some thought for others connected with that wide word, so vital to its meaning to the entire nation and the entire human race.

Unfortunately the average successful American and his idea of prosperity are represented pretty well by a prosperous, smooth, gently grunting pig, standing in the middle of his sty with nice soft mud in the yard, nice straw in the pighouse, nice swill in the trough and blissful ignorance as to the butchering in the Autumn.

* * *

What SHOULD be a man's idea of prosperity? Certainly it ought not to be the too common idea which this picture shows. It ought not to be represented by a fat, coarse-faced woman pouring out food abundantly to kneeling, swilling, human, grunting swine.

Prosperity in general ought to mean HOPE AND HAPPINESS FOR ALL THE HUMAN RACE. Prosperity in OUR nation ought to mean HOPE, GROWTH, MENTAL GROWTH ESPECIALLY, FOR ALL OF THE PEOPLE IN THE COUNTRY.

* * *

The fact is that the grown men of to-day are not grown men at all. They are children, selfish, grasping, eager. The grunting little pig among their ancestors is dominant in them.

Everybody has seen the small, boy eating his apple to the last shred and refusing even the core to the eager, foolishly hopeful playmate beside him. Every one has seen the little girl seeking a solitary spot to chew her red and white stick of candy, to make sure that no weak impulse might persuade her to give some of it away.

To the grown man, good natured and hospitable in small things, such childish meanness, such childish delight in solitary possessions seem amusing and primitive.

Yet money, PROSPERITY and wealth are no more important to the grown man than that apple or stick of candy to the child. And when it comes to real wealth, to the "big things," the grown man is as selfish, childish and piggish as the little boy.

We have charitable men among our prosperous men. We have men that are called "philanthropic." A little of the prosperity leaks out of the trough and gets to the weak and the feeble, unable to struggle up into the trough itself. But how little this amounts to!

THE REAL WORK OF THE ABLE MEN TO-DAY IS A PURELY SELFISH WORK. If the brain of a great American industrial king represents, for instance, one hundred horsepower, then nearly none of the horsepower are devoted to that one individual alone. His real work is GETTING UNNECESSARY PROSPERITY FOR HIMSELF. Nothing else really interests him. We have not reached the stage in which actual executive ability is combined with a feeling of responsibility, affection and some fairness for human beings in general.

And until we get that combination of ABILITY and UNSELFISHNESS, power and love of other human beings, we shall not have real prosperity.

* * *

Where you have the golden trough, and the golden pig wash poured into it, you will have talk of prosperity. But you will always have a few of the more powerful animals crowding their way up, keeping back the others and getting the greater part of it for themselves.

Such is the picture of our splendid prosperity in America.

There is enough, and more than enough, for the eighty millions in the country. There is enough and more than enough, FOR A THOUSAND MILLIONS MORE, if only the DISTRIBUTION of wealth were properly arranged, if only the brains of the nation were devoted to the problem of the nation, instead of being devoted to selfish individual efforts.

This writer once studied a number of very prosperous pigs swigging up the prosperity as it was poured into a short trough for them. For a moment or two every pig had his nose in the right place and was blissfully happy. Then a happy thought occurred to one of the pigs. She had enterprise, and perhaps recent maternal duties had sharpened her appetite. Anyhow, with a good deal of effort, she climbed up into the trough, doubled her legs up under her, filled the trough almost entirely, burrowed her maternal head, and drank up all she could possibly hold, while the others stood around squealing and grunting.

It should not be hard for American citizens to think of one of the great Americans that resembled this enterprising body pig and her plan for getting her share and a little more.

It is true that she spilled a good deal of the swill wasted some of it. But SHE GOT ALL SHE WANTED, AND THAT WAS ALL SHE CARED ABOUT.

Our brand of PROSPERITY is all right, may it last forever.

BUT OUR BRAND OF PIGS WOULD BEAR IMPROVEMENT. DON'T YOU THINK SO?

* * *

There IS prosperity in our country. What we call prosperity, at least.

But what is the prosperity that we talk so much about? It is simply the gathering of a few very lucky people at the big national trough. While we all talk of prosperity we know that many millions, far more than half of all the people live in a state of worse than poverty.

They may be doing a little better than they did once. But is THAT prosperity? Can you call a man prosperous or hopeful when he looks into the future with dread and always sees blackness before him?

Can you call a nation prosperous WHEN THE MOST ABLE MEN DEFINE PROSPERITY AS "ALL I WANT AND MORE"?

There is such a thing as a prosperity of means, of property, of various kinds of pig wash. And there is another prosperity infinitely higher, more enduring—A PROSPERITY GROWN AND BORN IN THE HUMAN MIND.

Our nation will be really prosperous when we shall have, in addition to our present supply of wealth so unevenly divided, and to our present boom in industrous, real kindness of nature, REAL KINDNESS OF THE HEART, REAL GENEROSITY IN THE BRAIN OF THE NATION, REAL INTEREST ON THE PART OF THE POWERFUL IN THOSE THAT ARE WEAK AND IN NEED.

* * *

It is pathetic to realize that the most powerful men our nation produces have really no serious thoughts in and beyond "getting more." Investigations, lawsuits, newspaper exposures, fights between trust owners simply show the men of domineering force, struggling constantly to get MORE, than they have. Occasionally there is the throwing of some crumb to the crowd, the giving away of this or that trifling amount which speaks of a mixture of vanity and good feeling just beginning to sprout.

But how little of real feeling, how little that would put the powerful man of to-day above the selfish little urchin eating his apple by himself.

A man runs a great railroad, a great system that might be of infinite benefit to the people living near it. Does he plan TO MAKE THOSE PEOPLE PROSPEROUS? Is he employing the ablest men to see how he can manage his roads, with a fair return for himself AND THE GREATEST POSSIBLE BENEFIT FOR THOSE WHOSE LIVES AND LABOR MAKE THE ROAD POSSIBLE?

Not a bit of it. If there are a hundred great railroad men in this country—and they say there are only seven—you may be sure that the hundred or the seven are thinking day and night, and hiring men to think FOR them, HOW THEY CAN GET THE LAST POSSIBLE DOLLAR OUT OF THE HUMAN BEINGS WHO MAKE THEIR GREAT FORTUNES POSSIBLE.

FIGURE 3

undertake such work. We quote from a recent (1907) report of Special Agent W. O. Graham Clark:

The Ceylon Tea Campaign

"The planters many years ago were anxious to start an advertising campaign to work up the sale of their product in foreign countries. The Planters' Association of Ceylon, in order to make all planters bear their fair share, requested the government to levy a cess on the tea planters for this purpose. Not all planters were in favor of this, but, as the majority were, the government passed an order to this effect, and the tax was collected by the government and then turned over to the Planters' Association to be expended by them subject to the sanction of the government. While the amount involved reached large proportions, as the tea industry steadily expanded, little complaint was heard. Lately, however, many planters have come to the conclusion that as the foundations have been laid for an expanding trade it can now be carried on with less burden to the planters and they petitioned the government to lower the amount of their assessment to the association. The government investigated the question and decided that after two years they will cease to act as tax collector for the Ceylon Planters' Association, and that thereafter all contributions to the association will have to be voluntary. Many planters are now petitioning for the continuance of this paternal system, as they fear it may throw the burden of advertising on a few instead of all."

It seems that if a government may give official recognition to the power of printers' ink, it might not be undignified in the American Bankers' Association to give its countenance and financial help to a consistent and comprehensive campaign of education.

The main thing to consider is the fact that the public is ignorant and yet powerful; that if we would retain the direction of this vast potential energy and power, we must educate it.

To the banker, by opportunity and privilege, belongs this opportunity and more, the positive duty and moral obligation to improve it.

CHAPTER III

HOW TO REACH THE PEOPLE

HOW SHALL WE ADVERTISE—ADVERTISING IS NOT A GAMBLE—THE SCIENCE IN ADVERTISING—RUSKIN'S DEFINITION OF SCIENCE—PSYCHOLOGY AND ART—THE ECONOMIC WASTE OF FAILURE—THE USE OF SCIENTIFIC KNOWLEDGE—IT MAKES THE ART OF ADVERTISING MORE PRECISE—ATTRACT, INTEREST AND CONVINCE—THE AGENT WHO CHANGED THE COMPLEXION OF THE PAGES—THE CROWD AND ITS CHARACTERISTICS—THE INDIVIDUAL AND THE CROWD—THE DIVERSITY OF OUR CHARACTERISTICS—COMMUNITIES AND CITIES DIFFER AS MEN—ANALYZING A LOCAL CONDITION—THE LANGUAGE OF OUR APPEAL—WORDS AND THEIR SIGNIFICANCE

AFTER deciding to advertise, then comes the question "how?"

Almost all who approach the act of advertising for the first time will find this the difficult question.

Presuming that we have already determined on the amount to be spent in advertising, we have progressed but a small way toward obtaining the actual deposits of the people's money.

The Common Error in the Beginning

Let us be convinced of one thing before we go any further—advertising is not a gamble, in the sense that word is usually used.

Broadly, any business enterprise is a gamble. No man can foretell exactly what any sales campaign will do, or what his product will gain in the way of public confidence.

For instance you open a bank, how do you *know* you are going to make money?

You have money to loan—how do you *know* your cashier will successfully protect you against losses?

You say he has experience. I will admit it.

How do you *know* he can conduct the internal affairs of the bank to the most profitable ends? You answer, he has experience and has done so before. I will admit it.

How do you *know* advertising is a gamble, because others have tried it and lost their money?

I will admit it.

Why do you leave experience out of that part of the catechism when you make so much of it elsewhere?

Because you don't know anything about it, and can't see where there is anything to know? Isn't that it?

In a more restricted sense advertising *is* a gamble of the worst kind. It is a gamble worse than draw poker or *rouge et noir,*—for the ignoramus who thinks it a gamble and who is convinced that *his* luck is as good as the next fellow's.

When Advertising is a Gamble

It is a gamble to the man who knows nothing of its rules and laws, just as running a bank is a gamble to the man who knows nothing of finance, bookkeeping or credits.

The latter may succeed, but how much would any banker of the most conservative sporting instincts be willing to bet he wouldn't?

Advertising is a gamble to the man who advertises "on general principles," with no very definite idea of what he is trying to accomplish.

It is a gamble to the man who hasn't studied it in all its complex relationship of cause and effect, of salesman and customer, of campaign and strategy.

On the other hand advertising is no more a gamble to experience than the success of a bank is to an experienced banker, or the success of a retail store is to an experienced retailer.

But, you say, these are gambles, are problematical.

True, they are, and when the absolute, copper-riveted, air-tight, guaranteed cinch has been found, do you think there would be any chance for you?

But taken as it is, it doesn't make advertising anybody's game, just because nobody knows *all* about it.

Use Brains

All advertising is a gamble to an indefinite degree, but experience and brains can reduce the gambling equation to a point where it can be made to pay a demonstrable profit on the investment.

There is yet one other thing to be considered with which advertisers in general, are little familiar. There is a scientific foundation for advertising and a knowledge of this, as it becomes more definite, is growing of greater value in placing the limit of the gamble in advertising.

Advertising must be studied in two ways; i. e., as a science and as an art.

Advertising is Both a Science and an Art

Let us right here, as most disagreements are matters of definition, understand what we mean by "science" and "art."

"Science," says Ruskin, "is the knowledge of things, whether Ideal or Substantial."

Another has said, "Science is knowledge."

Knowledge, in the scientific sense, needs some defining, which may be, "a perception, judgment or idea which is in accord with fact or truth."

If you should fall down as you enter your bank to-morrow morning, and break your arm, you could feel your arm and probably see there was something the matter with it—you would then probably examine it, and from previous observation of such cases, you would conclude that your arm was broken.

That conclusion could properly be called knowledge.

What is a Scientific Fact?

It would be a scientific fact.

Art, on the other hand, is the *doing* of things. Whewell makes the distinction better in this:

"The object of science is knowledge: the object of art is works. In art, the truth is the *means* to an end; in science, it is the *only* end."

Art is the individually original application of the laws of science to a given end or purpose; or, "truth thrown through the prism of individuality."

Science says the printing on this page must be set in regular lines from left to right, if it is to be read easily and quickly; art, however, determines how long the lines shall be and the style of the type.

But, we hear you ask, what is the science of advertising?

It is several sciences.

Psychology

It is based on psychology, which is the science of the mind, because it deals with the influence of the written and illustrated word on the mind.

More than this, it deals with several practical sciences, such as enter into the mechanical means necessary to the realization of the best methods of writing and illustrating advertising.

What Science Will Explain

Psychology will explain some strange things you might not reason out to the right conclusion, and it will tell you *why* certain things are thought and done.

One man fails in advertising by doing certain things. That does not disprove advertising in general. Thousands of advertisers fail, but that does not prove advertising a failure or a delusion. It proves that there is a wrong way, which is evidence that there must be a right way, or all people would fail.

By a careful analysis of many failures we find certain things common to all, and by doing the same with successes we find again certain things common to all of them.

We may find certain things common to both success and failure.

By a process of elimination we determine some of the reasons why one thing succeeds and another fails.

The Unconscious Observance of Law

The art of advertising has grown and succeeded because it unconsciously observed those laws which psychology has proved to be common to humanity. The enormous economic waste, which comes in the train of unsuccessful advertising, proves the value of some accurate data of analysis of the reasons why some advertising fails and some succeeds. When advertisers cease to believe advertising is a gamble, and study carefully and accurately the science, they will be freer to furnish the exact results of their campaign, for purposes of comparison and deduction, thereby getting a keener, shrewder grip on the actualities of their work.

While to know these things will not necessarily guarantee our success, it will give us better foundations on which to develop successful plans and ideas.

It Guarantees Nothing

As a knowledge of the relation of colors, of anatomy, of perspective, of light and shade, will not guarantee the making of an artist, so a knowledge of the science of psychology will not guarantee an advertising man against failure.

The great strategist may know all the science of war—trajectory, explosives, the feeding of troops, electricity, tactics—and never win a battle; yet the fighter who knows these things will win more battles at a less cost than he could without them.

As the business men who have had collegiate educations grow in numbers, we hear less and less about the college failure—we hear less about the success of the self-made man.

We are applying the *science* of accounts to costs, and cheapening processes of manufacture.

The college man is correcting brain, experience and idea wastes in salesmanship and advertising, through the *science of psychology.*

Psychology Makes Art More Precise

Psychology makes our art more precise and definite and forceful, because it tells of the mental operations by which we make a right or wrong choice, from an ethical standpoint—when we reason falsely or truly, from a logical point—when we experience pleasure in looking at a picture.

All these things enter into any advertising to a greater or less extent.

By knowing something of these mental processes we are enabled to frame our action to conform with them, to set them in motion.

The science of advertising alone can never make a successful advertiser, "just as the science of medicine can never make him healthy or the science of logic never make him reason rightly."

"Science," says Professor James, "only lays down lines within which the rules of the art must fall, laws which the follower of the art must not transgress; but what particular thing he shall positively do within those lines is left exclusively to his own genius."

Until recently all its most clever exponents considered advertising a matter of "Intuition." These rather resented the recent tendency to disturb the belief that "advertising men were born and not made." This attitude was not to be wondered at. It has always been the same. We can remember how we used to ridicule the college man in business.

Some of us do so now.

Value of Technical Training

Give the college man his technical training, and set him by the side of the man without the training. For a time the two may run evenly. Then we see the trained man forge ahead in so many instances that it has silenced all criticism and ridicule, and the self-made men are sending *their* sons to college for that despised technical training.

In days to come the scientific side of advertising will receive special attention in college courses, and those graduates will give in time, a new

significance to the most fascinating side of a most interesting and powerful agency in business making.

I shall hope to show that science has a great deal to do with successful advertising. In doing so, however, I shall not fail to show its brotherhood for the *art*, about which so many clever men are so tender.

A study of the scientific side of advertising will make many mistakes unnecessary, because there will be certain things we know we must not do.

The Advertiser's Attitude

The advertiser's attitude must always be that of a teacher towards his pupils. He wants to teach people that they should do business with his institution.

That is all advertising is—nothing but teaching. That, however, is enough, it is true, but advertising is not a sleight-of-hand Svengali type of hypnotism. At heart it is a very matter-of-fact thing. Your art must invest it with human interest and "life."

Let us see what we have, when we start out to advertise.

Here we have a big class of people whom we are to teach.

Their minds are bent on ten thousand different things, selfish, generous—foolish, wise—mean, noble—running the gamut of human emotions and interests—and not one thought of us or our selfish purpose ever enters their minds.

The Three Essentials

You must attract them to your proposition.

You must hold their interest.

You must convince them of the necessity of action.

Your observation will help you to know what is common to the natural interests of those people—your science has equipped you with a knowledge of their mental machinery and processes of thought, and by this knowledge you may use a better, surer, keener, more powerful art in molding their minds and convictions to your ends.

A recent writer on salesmanship expressed the value of science to all who practice an art: "We can not do things right unless we know *how*. We do them better still if we know *why*." Herbert Spencer tells us, "What we call learning a business really implies learning the science involved in it."

The question comes to us then, *How* shall we reach our people?

Perhaps you have noticed what people say to you about advertising methods is based on *what* you should say and do, and *how* you should say it, but they never tell you *why* you should do so-and-so, or why you should say it in the way they suggest, except that it has been done or said that way by successful advertisers.

If you ask a man why he did this or the other thing, he almost invariably answers, "Because Jones & Co., did it that way and look how successful their advertising is; and Brown & White have done the same, and their advertising is successful."

This empiricism has won out in many cases, but it has been responsible for thousands of failures.

Advertisers Likened to Sheep

It has been responsible for advertisers being likened to a flock of sheep, ready to follow a leader in a tumbling, helter-skelter race after any new way of doing anything.

In 1899 and 1900 an advertising agent commenced to produce bold, black-and-white designs which were strikingly simple in composition and drawing. Within four months the advertising pages of our monthly press became black and gloomy, and the contrasting value of the agent's designs was utterly lost. He then turned to plain Caslon type effects, without illustration, and soon the magazines were restored to normal typography. About that time, however, this agent failed in business, because of outside interests and the doubtful service of an overloaded equipment, and now his ideas are generally considered bad because he had thought them out.

We need to learn the scientific *why* successful advertising is successful.

It will save us from judgments based on what we see through the rose or blue spectacles we may happen to wear on the morning after a Dutch supper.

Individual and the Crowd

In considering advertising from the standpoint of the teacher who is teaching a class, we shall have to make one distinction, and that is the difference between the individual and the crowd.

In this lies the vital difference between the salesman's and the advertising man's problem. The salesman can study his individual customer, mold his actions and arguments to suit the case and get business on a line of reasoning, illustration and action, which, if put into print and

given general circulation, would drive business away faster than explanations could overtake it.

Again, the crowd as a whole is different in morals, mind and action from the individuals that compose it.

If you were to take one thousand people who were individually most law abiding and peaceful and throw them a perpetrator of outrage and violence, you would transform them into a lawless and bloodthirsty mob.

The Crowd is the Unit for the Advertiser

The advertising man is interested in the crowd. It is the crowd, whether it be one thousand or a million, which he has to persuade and mold.

The mass of the people have few ideas, but these are fixed even though they are proved false beyond doubt.

Do you suppose the fable of George Washington and his hatchet will ever be deprived of popular acceptance?

Thousands will continue to consider Hamilton the beau ideal of American statesmanship, even if we know him to have been a tricky and shifty politician of brains and wonderful resource.

"Jeffersonian democracy" will always be a term with which to conjure plaudits from the crowd, although we know that Jefferson was a man of luxurious tastes at Monticello.

The public has embalmed these ideas in the winding sheet of sacred tradition, and to the public they will always be shibboleths beyond the reach of cavilers and iconoclasts, because they are a part of our stock of fundamental republican ideas.

The Differences in Communities and Peoples

We must, in appealing to any certain society, or caste, or individualized community, like business men, or laborers, or preachers, or Bostonians, or the people of New Orleans, or San Francisco, observe that there are two personalities in a crowd; i. e., one as Americans, in which they think and act differently from Mexicans; the other, that of preachers or business men, Bostonians or people of New Orleans, all of whom have well defined characteristics which must be considered in any appeal.

We must be able to define these differences and peculiarities, and resolve them into simple parts, so as to give us points of attack.

The traditions of a section afford the easiest points of attack. I do not mean historical traditions alone, but racial and social and business traditions.

Do not preach a revolution, but let the people keep their old faiths by simply giving them a better way of rendering homage to them.

Revolutions a Change of Names

Revolutions, for instance, have simply been a change of names for popular beliefs. We see the South American republics more despotic than old Spain, whose yoke they threw off.

In our own case, we are not more free than Englishmen, having in many places regulations or ordinances of as many kinds as we have Swedes or Poles or Italians or Germans. We revert to our ancestral type, although we feel that we have a hand in the developing process, which is both satisfying and beneficial.

The sensitive advertiser who is "born and not made," gets at this through intuition and experience and "feels" the power or weakness of an advertisement, because he feels the power of the sentiments it awakens.

He instinctively hunts for the point of contact with a crowd or population just as the salesman feels for a man's interest whom he approaches to sell a bill of goods.

As I have said before, you can not educate the people to adopt a new, strange and revolutionary method or idea of doing things, ignoring their training, traditions and character. The only way you can accomplish the adoption of an entirely new way of doing old things, is to lead them, through an understanding of their traditions, character and manner of thought, to accept your methods and goods for their own, seeing no sacrifice of what they consider the best of the old.

In an old community, such as Boston or Philadelphia, for instance, where new arrivals of population have been conservative and characteristic, the ideas of change and progress have little power to interest. These people have been accustomed to their way and their success, and are satisfied, because old methods have solidified into tradition.

Change Becomes a Tradition

In a newer community change and progress themselves become tradition, and the complaint in these newer communities is, "You can sell them quickly, but they may throw your goods out and put in your competitor's the day afterwards."

In the old community, however, it is more difficult to get them started, but they do not leave you after you get them.

These things are not the result of the Whims of Chance, but very well understood operations of scientific laws.*

The act of reaching the public comprehends two things—physical reaching; i. e., getting the advertising within the scope of their comfortable physical vision, and again, reaching their mental understanding.

We shall concern ourselves with the latter, leaving the former to the several methods explained in later chapters.

First, it is absolutely necessary to analyze your proposition, your local environment, what you wish to do and the kind of people with whom you are going to deal.

Let us see how it looks.

Analysis of a Proposition

The proposition we will say, is to advertise a savings bank—

1 Laboring Classes
- In factories
- Railroads
- Railways

2 Professional Classes
- Doctors
- Dentists
- Teachers
- Preachers
- Lawyers

3 Small wage-earners
- Clerks
- Bookkeepers
- Conductors
- Motormen
- Engineers

Leaving out the medium, how shall we reach the mentality of so widely diversified a public?

How to Talk to Different Classes

It must be apparent that we can not talk to the laboring man on the railroads as we would talk to the teacher of a high school; that we

*I would suggest that anyone interested in this phase of the subject should read many of the excellent works of Professor William James, M. D., Ph. et Litt. D., LL. D., Correspondent of the Institute of France and of the Royal Prussian Academy of Sciences; Professor of Philosophy at Harvard University.

The works of Gustave Le Bon, as published by T. Fisher Unwin, Paternoster Square, London, England, will also be found helpful.

can not hope to interest the doctor in the same way that we would interest a conductor.

Shall we strike an average and appeal to some of all these classes, and by generalities attempt to attract, interest and convince such as we may?

Experience Teaches How

We know from experience, and we have to go no farther for a reason, that the same generalities do not attract, interest and convince all in the same degree, when it comes to a consideration of so intimate a thing as money.

It would seem self-evident therefore, that we must determine on the classes whom we can not hope to interest most quickly and at the least expense.

We proceed to eliminate.

What do we know about these classes, the various degrees of class intelligence and characteristics?

What do we know about the local conditions, environment and life of these people?

If the laboring class is well paid and the necessities of life are comparatively cheap, we can reasonably expect to get a portion of the surplus, *provided* we can persuade these people of the necessity of saving *something*.

The education has been neglected, however, and an analysis of the remaining classes discovers one class common to all of them—the salaried class, in which we have teachers, preachers, bookkeepers, engineers, and possibly motormen and conductors.

These people should live within their incomes—they know what the income is, and we may talk to them about the problems and fears common to all who work for a stated salary.

Analyzing a Class

First, then, we take the most general class, the salaried people, because we have found a general ground on which all stand. We know their general problems of life as relates to money and income; we know the human type of the salaried man or woman; we know something of their mental attitude towards the business of life.

On this knowledge gained by experience and years of association, we then proceed to outline a campaign of advertising, to *attract* them to a consideration of our claims—to an *interest* in the intimacy of our

relationship with their lives and feelings and ambitions—and to *convince* them that by doing what we suggest, they will further their own real interests and happiness.

The Language of Your Appeal

We have yet to solve the other equally vital thing—the language of our appeal.

We have decided the general principles of why and how, but not *what* we shall say.

There is a choice of words by which we can reach the minds of all men of a class; it is different from that which reaches the minds of a few.

The wording of an advertisement may leave a bookkeeper unmoved while taking fast grip of a teacher.

"Be plain," says the average man.

Yes, but there are different kinds of plain English.

What is a word?

Try to tell what it is.

Many of your dictionaries will not help you very much.

Richard Grant White in his "Words and Their Uses," says, "A word is an utterance of the human voice which in any community expresses a thought or a thing."

If we think of words in that way we commence to see why words are so important to all advertising.

In banking, for instance, there are words that have a trade, technical meaning only, having no meaning to a man who knows nothing about banking.

Must not use Technical Words

We must not use technical banking words, would be the first good rule to adopt, because strange words without meaning will confuse our possible customer's mind.

A word must mean something or convey some definite thought to the person who reads it, or it ceases to be a word to that person and becomes a mere group of letters.

We can protect ourselves against this danger, therefore, only by using the words in most common use among the people whom we address.

The only reason we can have for communicating with people is to convey ideas to them. If we use words that impart no meaning, we certainly fail in our intent and purpose, and when it costs money for the space in which to do this, we must not expect to escape the censure of the sensible and observing.

"Good English" not the Only Thing

Correct English is quite another matter, yet one we must consider.

I confess, as may have been noted, to a degree of indifference towards the purist.

Get your idea and define your point of attack first. They are the main considerations. Talk in words that a child can understand, and do not let your soul be troubled about the grammatical exactness of what you say. As will be pointed out later, be careful of your facts in things of which your people know all, in order that they may accept what you say about the things of which they know little.

Say as nearly as you can exactly what you want to say—say it as if you meant every word you express, with your whole power and force.

If you have sound sense, and the usage of your audience to uphold you, you need not be afraid of the literary purists.

You will be in good company if you do not have too great a faith in mere syntax as an excuse for a lack of ideas.

Lowell came in for pity because "his language was not invariably correct," and Howells "has furnished a few examples of incorrect English," while "the most unkindest cut of all" of Shakespeare has kept grammarians explaining for two centuries.

Yet these are not to be used as an excuse for slovenly expression. Any man needs an equipment of words that will meet the requirements of his story—to fit his idea—his thought—so exactly that the reader may get it clearly and definitely, just as it left the writer's mind.

How shall this be acquired by the man who hasn't been trained to it?

Training may overcome the lack.

The Acquiring of a Good Style

Some people, on the other hand, seem to be constitutionally unable to express their thoughts in clear English.

Some of these are writing financial advertising, it is true, but they will give place to a better way.

The Dalton Wonder!

Here is a proposition that has possibly come to many of you this week:

"Believing you are ready to consider an investment of exceptional attraction, because you will be securing it at an unusual figure with the practical certainty of more than doubling your money in a very short time, we are going to offer you stock in the Dalton Wonder Mining Company at 6 cents a share. * * Prior to announcing the opening of subscription books, we are going to give you the privilege of coming in on the absolutely ground-floor of six cents a share."

Of course, you won't bother with the "ground floor," but look for the sub cellar where nobody can see you "get in." The Dalton is surely a six-cent wonder, but it isn't much different from 90 per cent of similar appeals to cupidity and greed. There are people who will buy this stuff, as there are people who put their earnings into other securities they know nothing about.

But what about your accumulations? Are they so handy that they may be tempted into foolish speculation or depleted by extravagance? Or are they in the Savings Department of the **Old First National Bank** of Washington, with their safety guaranteed by a million and a half of assets, and adding their earnings to yours?

Better Be Safe
Than Sorry!

FIGURE 1

IT'S ESSENTIAL

that your savings be placed where they are absolutely safe; where the financial resources of the institution are large; where the management is conservative yet progressive; where you have confidence in the men directing its affairs—men who have made a success of their individual affairs. Such an institution is the old

First National Bank

of Washington, N. J. It has assets of over a Million Dollars. This Bank pays 3 per cent interest on savings deposits, and you can open an account at any time and have a Special Savings Deposit Book issued.

JOSEPH B. CORNISH, President
WM. S. RITTENHOUSE, Cashier

FIGURE 2

Having determined our class, how to arrange our advertisements so as to be attractive, we next turn to the sort of subject by means of which we may expect to reach the interest of the public.

Here, again, we come in for a wide diversity of selection.

We may talk to a railroad laborer about the theory of mercantile credits in words that he can comprehend, yet we cannot hope to enlist his interest. While this is perfectly obvious, yet there are just as obvious differences between the bookkeeper's and the teacher's interests to anyone who is familiar with the characteristics of the two.

Where Can You Direct Your Attack

And there are just as vital differences between investor and retailer, capitalist and wholesaler, woman investor and the suspicious laborer.

To know these differences is to be able to direct your attack at the weakest point of their indifference, with all the advantage to your purpose that promises success.

We must make our appeal personal and individualize it, then we proceed according to a scientific process to the next one.

People are more impressed with one thought, or idea, or proposition definitely put, than with an indefinite impersonality.

One does not have to go farther than his own experience for proof.

Here are two advertisements which illustrate the rule. "The Dalton Wonder" (Figure 1) advertisement will interest and very strongly appeal to those who have heard of the proposition—either by having received some of the circulars, or those who have invested in it—and from these it will gain a close reading.

Its singleness of appeal is its greatest strength.

Its simple and forceful English leaves no uncertainty in the mind of the reader. There is a direct-from-the-shoulder style about the statement that impresses, and the typographical display is cleverly arranged to make it stronger.

Compare that advertisement with the one on the same page entitled, "It's Essential," (Figure 2).

Criticisms of Advertising.

What does that advertisement mean to most people—to any class in particular? As a bank advertisement it is stronger and more pointed than most, but the comparison between the two makes it appear almost impotent.

The only weakness in these two advertisements is the lack of a direct command. "Come and open an account to-day," should have been a line in both of them.

There is a good reason for that direct command, which will appear later.

Study, investigation, observation and experience will show these things to be facts brought out by experience.

It now lies with your *art* to obtain a result.

The Logical Point of Contact

My main object so far has been to show the absolute necessity of preliminary study of the field and the people—to know what kind of people they are; i. e., with respect to their moral, intellectual and social development; to know what main classes they belong to, and to plan some comprehensive method of reaching the logical point of contact.

Another object has been to rid the advertiser's mind of the pernicious and fallacious idea that advertising is a gamble and to show that in studying a field, the successful advertiser approaches his public consciously or unconsciously, much as a teacher approaches her class—first familiarizing himself with what his pupils are outside of school; second, with what they have already been taught.

Then he must select the dull from the bright, the weak from the strong, and apply the principles of mental science appropriately to the material he wishes to mold and benefit.

Now there are three things the advertiser must accomplish to make his advertising profitable—Attract, Interest and Convince.

These are all mental processes.

The mind, therefore, is his study.

We should interest our classes, as we have seen, by practical illustrations that touch their own lives.

Our Method

We shall deal in classes of subjects and not attempt to show how to prepare the actual copy, for that is a distinct subject in itself.

We know all people are interested in the live subjects of the day.

We should be timely.

We know all people are interested in money making.

We should tell some true stories of inspiration and success.

Manifestly it is best to appeal to people on their own plane of thought.

What is the Plane of Thought?

By their plane of thought I mean their every-day state of mind.

Don't ask them to strain after new ideas. Don't talk to them about strange things without the help of familiar subjects and interests for the sake of analogy

Don't talk in millions to a laboring man who never had more than $20 at any one time in his life.

Man is imitative—he copies—he follows a leader. Tell the laborer that you have 1151 factory men among your depositors, and he will come to see you.

If he hears that 600 of them deposit an average of $3.00 a week, he'll try to do the same.

The same thing applies to teachers, doctors and lawyers.

Talk to them face to face, eye to eye, and you will reach them in proportion as you talk in a language they understand.

Figures of speech define what I mean.

Suppose you want to illustrate satisfaction.

How to Illustrate What You Mean

The farmer understands—"As satisfactory as a full granary and wheat at a dollar a bushel."

A minister—"As satisfactory as a full collection plate!"

A conductor—"As perfect as a night run done."

A bookkeeper—"As satisfactory as a trial balance without errors."

These things the men understand who have them to deal with each day of their lives.

As we must educate, let us understand what education is; let us understand its processes.

We do not successfully teach either men or children by merely telling them to read hit or miss a series of books on any given subject. Such a method would lead to helpless confusion of mind and indefinite waste of time and work.

We educate by logical progression from little things to large; from simple to complex; from the special to the general.

We must not let our machinery of thought appear in our work; we must cover it up with human interest, personality and individuality.

There must always be a certain make-believe in all our work.

Logic does not impress the crowd.

It is swayed by the appeal to its imagination, its feelings, its passions, its hobbies, its traditions.

How to Widen the Appeal

Education increases man's plasticity and adaptability, and as it expands these attributes it widens the opportunity for appeal, because the man who has a receptive mind invites all good things to enter and be known.

That same knowledge of the science of the mind which is found necessary to any successful *study* of any new advertising, needs no other adjunct than a proper realization of the fact, *that advertising is educative both in ideal and practice, theory and reality.*

No one who has an inner knowledge of educational practice but knows that education must be based on something more enduring than the personality of the teacher. Fundamentally all education is based on the right application of mental processes, which experience and observation have proved beyond a doubt to run in certain well-defined grooves governed by certain laws.

By observing a few simple rules we can establish a channel in which we may develop an art to our limit.

"What to Talk About"

To the banker who wants to know "what to talk about," here are a few subjects that may be made the topics of many advertisements. Any of these would prove interesting to a bank's public. Properly treated in a brief, general way in your newspaper advertising, they should educate the community and at the same time be made the subject of articles or interviews:

"SPECULATION AND INVESTMENT"

The difference between these two methods of making money should be lucidly set forth.

In preparing matter along these lines care should be taken to make the comparisons local so as to make them the more understandable.

Do not take too advanced ground against speculation or you are likely to expose yourself to ridicule. The farmer who plants his wheat

knows he is speculating—taking chances. When you stigmatize all speculation as gambling, therefore immoral, you are not talking sensibly, and are riding for a hard fall. The man speculates who does not know what he is doing when he invests his money.

The men who lose in speculation are ignorant; or, they invest too much, not leaving sufficient reserve to protect themselves; or, they are careless.

"WHAT ARE YOU BUYING?"

Suggestions

This should give you an opportunity to impress your public with the necessity of knowing *what* it is buying, *what* it is putting its money into.

Describe the methods by which large and experienced investors judge of the value and character of an investment.

Speak strongly on the foolishness of investing money in the other man's game on his unsupported representations.

Advise all to go to their banker and get his opinion of an investment before putting money into it.

"HOW OVER-SPECULATION AFFECTS THE INNOCENT OR IGNORANT INVESTOR"

Here is afforded another opportunity to warn your people against trading in stocks, bonds and notes, about which they know absolutely nothing.

Suggestions

Tell them to always retain enough money to protect themselves against a slump in values. Show them the danger of putting all their money into a thing without knowing anything more of a market than what appears on the surface. Bring out the manner in which the big speculators handle their accounts on a declining market. Show them how a business recuperates and saves itself; that paying of dividends may mean nothing, that the passing of one may mean larger things for the future; that general rules cannot be a safe guide, but that ignorance of exactly what is being done in and by any interest, should be sufficient to keep a man out of that concern's stocks or securities.

"HOW STOCKS ARE MANIPULATED"

Explain the methods by which stocks may be manipulated so that the small as well as the large investor for returns, may not get what he is justly entitled to. An interview or article of this kind should appear immediately after a stock market flurry, in which you have reason to think some of your local people have been bitten. Show the people

how sentiment in favor of or against a property may be created without reference to true conditions. Detail the schemes by which stocks are put up to attract investors and put down to "shake them out"—all possible because the public does not attempt to *know* anything about the real values of the goods it is dealing in, and is gambling.

If it would study, deal in certain knowledge, stay out when it did not know, the gambling element would be reduced to a fraction of what it is today. Because in the long run true values must always gain their right position.

"BUSINESS METHODS OF THE COMPANIES WHOSE STOCKS YOU BUY"

Suggestions

It does not matter whether it be a one-horse livery company or a big railroad, its business methods must inevitably affect its stock value to you or any other investor. Show in your interview how the careful business man investigates the past, present and probable future; how he compares assets and liabilities; investigates records of sales and profits; considers the probable condition of the future demand; weighs and examines the character and competency of the people who manage the property.

These things must be right, or be in a position to be made right at once, before the careful investor goes in on any deal.

Bring out the fact that large properties can be investigated quite as well as small ones. As is well known, every well conducted stock exchange requires that any stock it handles must be open for investigation and its statements of assets, liabilities and condition, verified.

That only a very few go into the actual condition of the companies in whose stocks and securities they invest, is the main reason why the most of them lose their money.

"STAGNATION AND RECKLESSNESS IN INVESTMENTS"

Suggestions

Show the innocent holder for a rise, that he cannot expect it so long as he is in with too great numbers. When everybody has some of a stock and is waiting for a rise in order to sell, then there is stagnation. Soon there comes liquidation when the professional trader steps in and buys on the downward movement. Then, when the proper time comes, they commence to trade in the stock, circulate their "dope," and soon the stock is safely back in the public's hands again, at a higher price than it was originally held for, and the people again wait for the rise in price of a stock that nobody really wants, because it is too popular.

Bring out the fallacy of buying at the top of a rise, and the fallacy of putting yourself in a position where you have to sell at the bottom. If the stock be worth anything it will eventually come back to its right place.

To know when a stock is at its top value is to know exactly what the stock is really worth; to know when it is at the bottom, is dependent on the same thing.

"STOCK MARKET TIPS"

Suggestions

Show how foolish the belief in tips really is. As Mr. Gibson says in his "Pitfalls of Speculation," there is a difference between information and tips.

"Smith says to buy steel," is a tip.

"Smith says that the price of steel is low and earnings increasing," is information.

In other words a tip is lacking any reason for the suggestion, while information has some reason for a course of action.

Nobody who knows the business of making money out of dealing in stocks or marketable securities will think for a moment of taking the public into his confidence, because the public in its bull-headed uncertainty might run away with his best plans. Furthermore, a tip to buy is the best method by which the manipulator of a stock can get rid of his load or a tip to sell by which he can cover his short interest.

"SPECULATIVE SYSTEMS THEIR FRAUD AND VICIOUSNESS"

Suggestions

This article should deal with the information bureaus, the news and tip brokers. How they are operated and how they live on public credulity. Bring out the fact that no system of speculation that was not based on the knowledge of the true value of the stocks dealt in, has ever been successful. Hit the vicious practice of dealing in averages and per centage buying, and show the palpable ridiculousness of the chart system. Ridicule the idea that because a stock sold high once it must go there again, for if there was any truth in it the whole world would soon have the stock market charted and there would be no need of stock exchanges to fix prices.

"PESSIMISM THAT LOSES"

The financial pessimist is the man who is always willing to say "no" to your "yes," who always thinks a thing is worth less than the public thinks it is, and who will always go against the market just because he

thinks he knows more than the market about values. The public generally buys, that is true, and the public generally loses, that too, is true, but it is not because it buys that it loses but because it buys injudiciously, at the wrong time and in the wrong way.

Neither pessimism nor optimism pays unless it is tempered with clear-sighted judgment. The man who bets that the other man is always wrong, places his bet against a big interest, because the public and the majority of speculators are buying for a rise. It is best to have company going your way, because you then have help.

"WHERE TO PUT YOUR MONEY"

There is speculation in anything.

Real estate will decline in valuation in periods of hard times.

Rents are dependent on tenants and good times.

Mortgages are good if not too near the full value.

Notes of going concerns invite favor if you know they are good. Look up the balance sheets and the men who run the business.

Bonds, city, state or national, are good for small interest and safety. **Suggestions**

Buy stock of going concerns, if you can find out exactly what they are doing, and if their officers and directors are capable and reputable.

Notes of local farmers and storekeepers are often worthy of consideration, if you can obtain a satisfactory statement of the condition of their affairs. Don't invest, however, if you do not know anything about farming or business.

Such information affords opportunity for bankers to talk on local conditions and prospects.

"THE LURE OF THE MINING STOCKS"

A strong talk about the mining stock and the various fakes in this field is often timely. Be wary of any stock that is unlisted, because it very rarely has a bankable value.

Bankers when asked for their advice about mining stocks should describe the methods of fakirs; how they get the money and what they do with it. Some of the extravagant claims of those who have failed should be quoted, and if it be known that any questionable stock is held locally, its sale, even at a fraction of its face value, should be advised. **Suggestions**

Suggestions

"ASK YOUR BANKER ABOUT YOUR INVESTMENTS"

In these days when the papers are full of schemes to get the people's money, the man with means to invest should seek information about all advertised stocks, bonds and securities, before placing his money. Your banker may know of others who have invested in the same thing, and perhaps these others would be willing to sell out below the quoted rate. Your banker should be a sort of clearing house authority for the financial news of the town. He has people coming to him asking loans, for advice on investments, and he can probably give you some good pointers. Go on and get some experience.

"THE DANGER OF UNLISTED SECURITIES"

Generally you have nothing to back up unlisted securities but the claims of interested parties.

Unlisted securities are not fluid assets—you cannot readily sell them, or get a loan on them, because they have no open market value.

Give some local experiences of those who have bought unlisted securities, and do not be afraid to come out and talk straight from the shoulder.

CHAPTER IV

ESSENTIALS OF GOOD ADVERTISING; ATTRACTING THE ATTENTION

FIRST OF THREE ESSENTIALS IN SUCCESSFUL ADVERTISING—THE BLIND HEADS OF THE OLD DAYS—SUBJECTIVE METHODS LIMIT THE APPEAL—THE ATTRACTIVE QUALITIES OF BEAUTY—WHAT IS BEAUTY?—ATTENTION VALUE OF COLOR—THE FORCE OF BLACK DISPLAY—A PHOTOGRAPH MAY TELL TOO MUCH—LESSONS TO BE GLEANED FROM OTHER ARTS—ART REFLECTS APPARENT RATHER THAN REAL TRUTH—WHAT IS COMPOSITION?—WHAT IS AN IDEA?—IDEAS CAPABLE OF BEING ILLUSTRATED—THE LAWS OF TYPE DISPLAY—THE ART OF READING AND THE ADVERTISER—ANALYSIS OF DIFFERENT ADVERTISEMENTS

THE THREE elements in any successful advertisement must occur to any man who will analyze the advertisements that have appealed most strongly to him.

Attracting the Attention

He will find that the advertisement that he has read had to first attract him.

On his eye catching it as a whole, or the catch line, or the picture, he had a feeling that something was there of importance in reference to himself. He was attracted in proportion to the strength of the personal appeal to him.

This matter of attraction is the first thing the average advertiser considers in the preparation of advertising, because it is the greatest question in his mind.

We pick up the ordinary magazine and we may count from one to two hundred pages of advertising. Theoretically, at least, all these advertisements are competing for the attention of the reader, whose wandering eye must be caught, held for an instant and his mind lured to an interest in the message their words convey.

To attract attention is the aim of the street-car, bill-board, newspaper, circular letter, booklet or magazine advertiser.

If we cannot gain the reader's attention it is manifestly impossible for us to interest or convince him.

Advertising therefore, without the attention of the reader, is worthless.

The question to a large extent lies within the domain of scientific adjustment, and we will find it interesting to follow the application of our analysis to the subject.

You will probably remember, if you were born prior to 1875, the style of advertisements which used to start with a headline in large type, "Murdered!" and continuing for several inches to relate the harrowing details of the murder of a woman, and finally switching off into a story about the hair restorer or bone liniment her father used.

This was supposed to be the very acme of advertising perfection in times when the public taste was somewhat primitive.

When Taste was Primitive

The whole effort in those days was to pique the curiosity and slip the advertisement into the reader's consciousness when he was off guard. In a day when all advertising was largely charlatanry and the public was much less sophisticated, that method had a measure of success.

Curiosity is an instinct which hungers for new things and new sensations. It is one of the most powerful of the influences that make for development of the intellectual powers of man. The child's insatiable curiosity causes it to ask the innumerable questions at once the pride and despair of the parent, and by this curiosity the child's mind grows just in proportion as it is fed proper food.

Man judges others by himself, as the man who orders dinner for a crowd will unconsciously order what he particularly desires, unless specific knowledge to the contrary suggests another course of action. Hence the average banker confines himself to the facts and figures that tell of the growth of his business, because they are the daily present evidences to his mind of the value and stability of his institution.

Any advertiser, however, who constantly considers only those things *he* "feels" or "thinks" are attractive, must inevitably cut himself off from all except those who think and feel exactly as he does.

The business man must get the outside or public point-of-view. He cannot afford to restrict his audience to those who are mental replicas of himself.

For that reason the question of attractiveness is wrapped in the maze of confusion worse confounded.

A Matter of Physical Qualities

Arresting the attention, piquing the curiosity, is a matter of physical attributes; i. e., color, dress and design. Here, then, we must study art, or harmonies of line and color. We must study classes and characters of men and women in relation to these harmonies and we must combine a knowledge of business with both.

We may ignore many of the tenets of beauty, in fact we shall have to do so, because we are dealing with all grades and conditions of people. We are, perchance, dealing with people who have no ideals of beauty, because they do not know beauty apart from interest.

On the other hand we may have to appeal, as we shall, to the highest grades of intelligence in the community.

We cannot afford to talk above the one or beneath the other.

Beauty a Mind not a Heart Force

Beauty only, is not enough in advertising design, because beauty, as Schopenhauer points out, is a matter of knowledge, ideas and intellect. For that reason beauty has ever been a delight of the mind and not of the heart.

On the artistic side advertising must always be as beautiful as the maintenance of interest will permit, such for instance as makes the design well drawn, artistically colored, well composed, technically correct; but it must be interesting, or it is wrong, in the way, a hurt rather than a help to our commercial purpose.

What kind of interest can we hope to arouse by a merely beautiful picture?

Very little, I must confess.

If we make it beautiful as a picture, our advertising takes a secondary position, and that is unprofitable.

Do we not see pictures cut out of artistic advertising, such as calendars, etc., and the advertising value of the calendar entirely destroyed? We should link the beauty of the picture to our business in such a way that our part can not be overlooked.

Interest is not an intellectual process but one of emotions, feelings, as will be shown in another chapter.

Beauty Does Not Reach the Heart

Beauty may awaken our highest praise, but it may leave our hearts and emotions untouched.

On the other hand we may see a face without beauty, a picture without technical merit, yet we may become so interested as to be unhappy unless we possess it.

The remarkable women who have influenced the destinies of nations have rarely been beautiful, but they have been interesting, magnetic, charming, powerful.

Attention Value of Color

Color has an attention value.

We do not have to take the results of scientific experiment to know that red attracts the most attention, green the next and black is the third in value. We know that black on white is more effective than white on black. But, again, we must consider our public.

Consider the Indian for a moment. Have you seen him in full panoply, with green, yellow and red and brightest blue pigments in his gear and head-dress?

He glories in a riot of color.

Have you watched the windows of the five and ten-cent stores, where the poor buy many of their little luxuries? When next you have an opportunity examine the bric-a-brac which these stores sell in tons and you will see the same riot of bright, garish colors.

The Ignorant, Crude, Like Bright Colors

This is called primitive art, which fascinates primitive peoples.

The ignorant like bright colors and a lot of them, and all in violent contrast.

Study the lower classes, look inside their homes. If that is not convenient, go to the store where they buy their goods. Study the yellow, green and red neckties, the pink shirts, the colored bric-a-brac, the green and tea-rose carpets, the brightly polished furniture.

The educated man wants harmonies, everything must be toned down, kept on a lower key. He wants anything but tawdry, glittering furniture about him. He desires simplicity and severity. Now and then we see a man of refinement wear or use something that apparently belies this, but we remark that he has done something which is in itself the explanation of the rule.

The unrefined man is attracted by "loud" things. He is extravagant in his words. He discounts all claims of culture, hence you must paint the picture gaudily in order to impress him.

Bold Outlines

Black displays influence him, because he has a taste for violent contrasts and bold outlines.

Study the advertising of your cheapest department stores. They feature prices in large black figures; the headlines are bold and the descriptions are confined to superlatives, "wonderful values," "most superb quality," "staggering reductions," "gigantic purchase," "marvel-

ously beautiful selections," and so on to the end. These advertisements are addressed to a certain class of customers whose intellectual plane is down where such methods, display and adjectives have a force and power.

The Brewery Signs Lesson

To such, pictures with plenty of high-toned colors, such as red and yellow and orange, as you will always see in the signs of brewery, whiskey and tobacco advertising of the cheapest brands, will prove most attractive and interesting. It would be diverting to note how many ugly red rooms you could find in workingmen's cottages.

Turn to the educated taste of the higher grades of intelligence.

It is most attracted by things done in a lower tone, without violent contrasts. It likes the soft tinges of the blues, greens, violets and grays.

"Any rule of colors," as John Van Dyke says, "however interesting it may be in the abstract, will be without many brilliant and startling exceptions."

There are some shades and colors the uneducated eye cannot detect at all.

Education Sharpens the Color Faculties

As evidence of how much the outgrowth of education in the matter of color may sharpen the faculties is revealed in the assertion by some authorities, that the colorists of India are able to preceive three hundred different shades and tints not perceptible to European eyes.

Just as the musician acquires by long training an ear that can detect the faintest dissonance, and the poet the slightest limp in the metrical unity of a stanza, the painter sees the most inconsiderable lack of harmony in his colorings.

So, educated men and women by long association and intimacy with the liberal arts—music, painting, poetry, sculpture—become attuned to a finer pitch and able to appreciate the higher development of enlightenment.

If now and then one rises from the ignorant classes naturally attuned to the subtler arts, he is but a recrudescence of some ancestral type—just as cross-breeding in horses will sometimes produce a type that belongs to neither parent but can generally be found several generations back. And how true it is that the children of genius are rarely "chips of the old block."

After all, the most useful survives in advertising as in nature.

That which is most advantageous and gives us the most satisfaction is to all intents and purposes beautiful, because of that very fact.

Next we come to the picture or design.

When we consider decorative design, we must understand that the symbolic appeals to the educated man alone, as it is generally too enigmatical and lies too far above the average man's mental plane.

Art Must Reflect Nature

As all art must reflect what we consider some truth of nature, we will find ourselves safest in the selection of a subject for our drawing to get close to nature.

The question with the uneducated always is—is it real and actual and natural?

Being natural is a relative term. What you see in nature another man may not see. In the early morning, as you go out into your door-yard you see the pearl-gray mists lifting over roof and tree-tops, you inhale the cool air, and body and spirit answer to the exhilaration. You see the dew on the flowers and inhale their fragrance. You are conscious of the songs of the birds and the murmur of nature's voices. Your senses answer to their appeal.

Illustration of Aesthetic Sensitiveness

The lower the intelligence and sensitiveness the weaker this appeal. The average man of small intelligence draws in deep breaths of the clear air, yawns, stretches, washes his face and hands, and asks when breakfast will be ready.

His spirit has not been touched.

His plane of reflection is lower and nature does not awaken his thoughts and but dimly his sensations.

This attitude towards nature is seen in another way.

Some advertisers say photographs are the best means of illustrating the points in their advertising.

They claim photography is more "true to life"—that it is more natural—than the drawings of an artist.

True, but the photograph does not necessarily picture what we want the onlooker to see.

When I look at a scene I see but a part of it—only what my mind is interested in seeing.

Some of my readers, who are amateur photographers, will bear me out in the experience of making photographs of scenes that come up in negatives looking entirely different from what we saw.

The camera finds everything—non-essentials as well as essentials.

Camera Finds Everything

Therefore, while the photograph may be real it may not be the best illustration of our idea.

Of course, the ability of the modern retoucher to accentuate what we want, retains the "life" qualities of a photograph, while giving the proper emphasis to the points we wish to make the most of. In other words he can minimize the features we wish to neglect.

Yet the necessity of doctoring a photograph proves the principle of my contention.

Just because a thing is truthful is no answer to the objection that it is not good advertising.

It may be natural for you to write illegibly. It is sometimes good advertising to reproduce a piece of copy in the original handwriting, but that would not make it good advertising to reproduce your handwriting.

The art of a people is a relative conception. It expresses the soul, health or illness. There is a peculiar lack of uplift and sentiment in some of it.

Lessons from Music of Strange Peoples

We have but to hear the music of the Magyar Gypsies, the mournful minor melodies of the Russian peasants, the peculiar haunting weirdness of the chants of the Swiss, or the easy, care-free melodies of our negro singers, to catch the difference in artistic expression.

These differences follow defined lines—they can be reasoned back to first principles and primitive racial beginnings—but to do that is not my purpose.

We want to prove there are such things and to suggest a means of using the knowledge to further our purpose of attracting favorable attention.

The Chinese feel just as badly after hearing one of Wagner's classics as we do after a few minutes in a Chinese theatre.

The styles in dress of ten years ago were beautiful then, but are "horrid" today.

Whatever, then, that appeals to the man or woman of the hour is effective. It must conform to the ideals of the hour, the place and the people.

Music Has Widest Appeal

Rhythm, music and singing appeal to more people of all grades of intelligence than painting and sculpture or architecture and decoration.

As it is with children, so it is with those whose intelligence lies little beyond childhood.

Lancaster in his investigations, points out that almost all "infant prodigies" are musicians, dancers, singers, but rarely do you find the equally young among sculptors and designers.

The range of things attractive in a picture is limited to the man's own experience.

If an artist has made an engine look like the engine the engineer knows, the latter is attracted in a degree entirely out of proportion, possibly, to the artistic ability displayed in the drawing.

The engineer looks for photographic literalness, reality.

The more artistic man is attracted by the artist's conception of an engine in action.

Art reflects the apparent truth in place of the real truth.

In order to show an engine in action the artist must paint it as he saw it in action.

This is the distinction between the apparent and the real.

We are held dumb before the glory of an Autumnal sunset. We cannot describe it, except to those who have seen it.

When we picture it we are understood only by those who have seen it.

Art Treats of What We See

The commonplace intelligence picks a sunset to pieces and sees only a sign of rain, a promise of a cold tomorrow, or that it is near tea time.

You know that house lying over there on the hillside, a mile from here, has shingles on the roof and one board gone from the front steps, yet, if you painted it as you see it now, you would not put in the shingles nor show the hole where the board is wanting.

Apparently there is no shingle roof nor is there a board gone from the steps. Your picture would nevertheless be true if you didn't show the house as it really is, wouldn't it?

As the artist reflects the subjects in the way they appear to the eye of the class to whom he wishes to appeal, his pictures are weak or strong in the public view.

The artist who designs for advertising, designs for the understanding of his public; i. e., to make it see a picture which the advertiser wishes it to see.

When he paints a picture as an artist, he paints all the glories his mind's eye and his physical eye working in harmony can conjure up. He is fully understood only by those whose mental plane and experience lie close to his own.

This very important distinction is the difficult one to make artists realize. They have been taught to paint subjectively, while all advertising is objective.

Gaining the Point of View

In attracting the attention of our prospective customer we must make our pictures from his point of view and not our own.

We must gain his point of view.

The best things to picture are therefore, things in the customer's own life, home, surroundings.

In this we can understand the appeal of country scenes to thousands of city men and boys who have left the country home.

The house nestling shyly behind yonder hill, the quiet country road stretching brown into the middle distance, and the old crab-apple tree shading the well where we used to get such water as scientists have not been able to conjure out of water-mains and—well that picture takes one back to care-free days, anyhow, and we read on to see what the advertiser has to say about the little home in the country that a dollar a day may buy.

Isn't that so?

We don't need any reason for it—we just know it's true, and are content.

Van Dyke's Definition of Composition

The next thing is composition, which Van Dyke defines as "the proportionate arranging and unifying of the different features and objects of a picture."

There must be an idea in every picture you use.

It must have a central idea to which everything else in the picture is subordinated.

How to Picture a Child

If you wish to picture a child in the act of putting money into its savings bank, you should put the child and the bank in the foreground, leave out the lounge, the melodeon, the tea-table and the old clock on the mantelpiece, and concentrate the attention on the child and the savings bank. Every other thing that you put in that picture distracts the eye and the attention from the vital point of the picture, the child and the savings bank.

In order to make this picture strong, however, the child's posture must be natural; i. e., just as if it did not know anyone was looking, and *it was really putting money into the bank without thought of "having its picture took."*

This imperatively calls for harmoniously natural arrangement of the arms, head, hands, eyes, body, legs, etc., to express unconscious concentration on the act of putting money into the bank.

This is a part of the study of composition.

The appeal of unconscious child life is universal because it is unconscious and free and spontaneous.

The Reason a Young Artist Fails

The main thing in a picture is to use people who will be entirely absorbed in doing what they are represented as doing. The reason the young artist generally fails in such drawings is because neither his experience nor his observation, has shown him human nature in a sufficiently large range of emotions to give him a lively realization of what real people do under a sufficiently large number of circumstances to make strong pictures a possibility.

If the advertiser studies composition he will obtain sufficient control over the designing of his advertising to prevent that looseness and raggedness, that scatterization, which, lacking in concentration, produces weak, flabby, impotent designs.

The idea, however, is the thing, and the attractiveness of the design or illustration, if properly colored, composed and drawn, is after all, dependent on the idea.

What is an Idea?

What is an idea?

It is a definite feeling, fancy, or thought, or whatever is in one's understanding and of which one is directly conscious.

Some ideas are capable of being illustrated, others are not.

In general, abstract ideas are not capable of illustration.

You can not illustrate a man thinking about fishing.

You can not picture a man counting a million.

The Man and the Fish

You may show the former with a fish in his hand, and under it place the title, "Home from the Day's Sport," but you have to put a title under it. Your picture has not told the story without the help of words.

In the second picture you may represent a man with pencil and paper, rows of figures, but it will do equally well for an illustration of a man figuring interest, counting bushels of potatoes, or enumerating the population of the world.

Thoughts, moods, speech, motives, belong not to pictures but to words.

The things which the eye sees and understands without the aid of words or speech, can be shown to best advantage in a picture.

Not for a moment do I claim that there are not places where the word and the picture meet and seem to fuse.

In cartoons for instance, where there is a meeting of the symbolic and the real, without reference to truthful appearance or reality, we make the picture tell a story, but there we are using illustrations instead of words.

How to Use a Picture

The main thing is not to put too much into your picture. You should never use a picture whose idea you can not convey at a glance.

Never put a picture in an advertisement just to attract attention to the advertisement.

Attention attractors are interest dispellers.

The main thing about any attention attractor is to hold the mind long enough to let it merge into interest, without the conscious effort of the reader.

If you use a picture that is of no particular help in illustrating the point or argument you make, as perhaps the photograph of a beautiful woman on the front of a bank booklet, you have used an interest dispeller, because the mind is instantly interested in beautiful women, not the message of the booklet.

The attractor has attracted, but not to the advertisement—the attractor has called attention to the attractor, which might have served an equally poor purpose for either brewer, baker or banker.

Illustrating Advertisement with a Picture in it

This is what I shall call an advertisement with a picture in it. See Figure 1.

Obviously, the logical thing in such case would be to place an advertisement in the picture.

We want our possible customer to be attracted to what?—to thinking about our business value to him.

Isn't that it?

If so, why should we not frankly make the appeal on the value of the interesting and valuable information we have to offer him.

Knowing him to be interested in home life, we may represent a picture, "Burning up the Mortgage," with a pleased housewife and a contented man indicated at the task.

Such a picture would appeal to all those who had mortgages on their homes, and would appeal even to those who had none, through the law of association of ideas. The mortgage and the man and woman suggest a home and family life, and the married man reads what the advertisement has to say bearing on something in which he is interested.

You have attracted the man with a mortgage through his native interest, and in your copy you will show him where your interests and his become one.

We must apply the same laws to type display.

It is governed by the same laws of harmony, tone and composition to be considered as in making a picture.

We have some very definite rules about typography, which while technical, are nevertheless important, and if properly understood and applied make advertising attract more favorable attention.

The catchline, for instance, is a case in point.

What Experiments Prove

Careful experiments have proven that the eye can not cover more than four words of average length at a time.

The first consideration should be given to the physical arrangement of the wording of your catchline or title. This should be short so that the eye may catch it at a glance.

THE GOOD
OLD QUAKER

Once said to his boy:
"Nathan, it is not what thee reads that makes thee smart; it is not what thee eats that makes thee fat; nor what thee earns that makes thee rich, but what thee SAVES."

FIGURE 1

Take ten people and prepare ten, more or less, catchlines; set them up in the same face of type, printed on pieces of white board of the same size. Pin these up on a wall, let the people enter one at a time, make them walk down the line quickly and then pass out. Ask each one to write down separately and without consultation, what lines he remembers. Nine cases out of ten it will be the shortest lines, provided the subject or reference of the other catchlines lie outside their life work and hobbies.

Type that is Easy to Read

The next requisite is to type the catch phrase to suit the eye.

The plain printing types are best of course.

The obscure, involved letters attract the eye but do not hold it.

Figures 2 and 3 are examples of strong, simple type display.

Contrast them with Figure 4 which gives a line more difficult to decipher, while Figure 5 is still more difficult.

An attentive comparison will not bring out the drawbacks of the fourth and fifth, but a quick glance will.

The mere blackness of type has no value except that of contrast.

It is legibility that we must consider above all things in advertising, because we want to catch and hold the man in a hurry, and we must make it easy.

More and more Americans are reading by "skipping."

They are looking for the interesting thing. They haven't time to read everything, hence they skip from page to page, their eyes seeking the thing that will be interesting, that most nearly touches their lives and occupations, fads, hobbies, pleasures.

Philip Gilbert Hamerton, the eminent art critic, brought this out in one of his essays in which he says:

Skipping Judiciously, is the Art

"The art of reading is to skip judiciously. Whole libraries may be skipped in these days, when we have the results of them in our modern culture without going over the ground again. And even of the books we decide to read, there are almost always large portions which do not concern us, and which we are sure to forget the day after we have read them. The art is to skip all that does not concern us, whilst missing nothing that we really need. No external guidance can teach us this; for nobody but ourselves can guess what the needs of our intellect may be. But let us select with decisive firmness, independently of the

The First National Bank

FIGURE 2

Corn Exchange
National Bank

FIGURE 3

Fidelity Trust Company

FIGURE 4

BANK OF KENTUCKY

FIGURE 5

The Keystone National Bank of Pittsburg
Pittsburg, Pa.
320-322-324 FOURTH AVE
CAPITAL, $500,000.00
SURPLUS, $800,000.00
A General Banking Business.

FIGURE 6

THE
KEYSTONE NATIONAL BANK
OF PITTSBURG
PITTSBURG, PA.
CAPITAL STOCK $500,000
SURPLUS & PROFITS $915,096
OFFICERS
G.M.LAUGHLIN, PRESIDENT
W H NIMICK, VICE PRESIDENT
A.S.BEYMER, CASHIER
E.E McCOY, ASST CASHIER

FIGURE 7

authority of custom. In every newspaper that comes to hand there is a little bit that we ought to read; the art is to find that little bit, and waste no time over the rest."

The main idea of the advertiser, however, is not to be "skipped."

On the other hand the attempt to attract attention sometimes defeats itself by its very elaborateness. Figure 6 is a case in point. If the name of the bank had been brought out in clear-cut white letters, in a plain face of type as in Figure 7, or even more legible handwriting, the advertisement would have made more impression.

Analysis of Some Advertising

In nearly all the advertisements issued by the Cleveland Trust Company, there is a very careful selection of type and arrangement. Once in awhile their advertisements will be overcrowded, while maintaining their typographic personality.

Compare for a moment Figures 8 and 9.

Figure 8 is plain, simple, forceful, striking, while the other is a jumble of impressions. The eye glancing over Figure 9 has five different lines of almost equal striking value to separate and read. No particular line stands out as the keynote of an appeal to the reader's attention. There is a lack of unity throughout the display that seems to reflect an indecision on the part of the advertiser: "I don't know what will strike hardest in this advertisement, so I'll display this, and this, and this, and then put this in a little larger type, just to make sure."

He is like a speaker who wants to accent his words, and ends in accenting all, which means that he yells the whole speech at the top of his lungs, destroying sense and interest.

On the other hand Figure 8 develops all the good qualities as an attention catcher. There is the large, bold headline set in upper and lower case, which demonstration and experience have proved more effective than all capital letters, and the plain, simple, old-style letter with which the human eye has been familiar for over two hundred years. We saw it in our school-books as children, our book reading as men and women, and we can read it easiest of all our English type faces. There are just two main points in this display admirably handled, the "Conservative Investors Bank by Mail" and "4 per cent savings deposit." The reader has the whole story flung at him in these two lines. If he has money in a savings bank he thinks he is "conservative," hence the top line strikes home to the vast majority. The promise of 4 per cent makes his 3 per cent look small. There you have the interest.

Conservative Investors Bank by Mail

¶ A growing number of business men throughout the United States are looking upon a

4 per cent. savings deposit

in a strong bank like The Cleveland Trust Company as the best form of a conservative investment. The income is assured and the principal available at all times. It is also adaptable to any amount from one dollar to ten thousand dollars.

¶ The Cleveland Trust Company is admittedly one of the strongest savings banks in this country. At present more than 65,000 individuals keep their bank accounts here.

Our system of Banking by Mail makes it practical for you to deposit here wherever you live. Send for free booklet "W" giving full information.

The Cleveland Trust Company

(Savings Bank)

Capital		Surplus
$2,500,000	Cleveland, Ohio	$2,500,000

FIGURE 8

4½ per cent Guaranteed

SAFETY FOR SAVINGS

4½ per cent Guaranteed

For the conservative investor whose first requirement is safety but who appreciates remunerative returns coupled with freedom from anxiety, the

TAX EXEMPT 4½% MORTGAGE CERTIFICATES

Now issued by the New York Investors' Corporation, and offered by the **Title Guarantee and Trust Company,** of New York, afford an ideal investment.

They are secured by first mortgages on New York City real estate, the most valuable on the continent, deposited with the **Title Guarantee and Trust Company** to protect the investor.

Payment of the principal and interest of these certificates is guaranteed by the **Bond and Mortgage Guarantee Company,** which has guaranteed to the investing public first mortgages upon New York realty amounting to more than $200,000,000 without the loss of a dollar to the investor or a day's delay in semi-annual interest payments.

The security of these Mortgage Certificates, therefore, is unexcelled. In this respect they rank strictly with Government, State and Municipal bonds, yet yield a much higher rate of interest which adds to their attractiveness. They are offered

IN DENOMINATIONS OF $500 AND $1000

thus placing them within the reach of persons having small sums to invest.

These mortgage certificates are exempt from all taxation in the State of New York under chapter 532 of the Laws of 1906. The certificates are due and payable February 1st, 1917, but may be paid at the obligor's option on February 1st, 1912, or on any February 1st thereafter on six months' notice They may be had in coupon or registered form.

GUARANTEED FIRST MORTGAGES

ON SELECT NEW YORK CITY PROPERTY

May be obtained for large or small amounts by those who prefer them to the Mortgage Certificates. These mortgages are exempt from taxation and pay 4½%, they are assigned absolutely and delivered to the investor but the entire care and responsibility rests with this company. The interest and principal are promptly paid and the necessity of ever taking the property under foreclosure avoided.

Write us promptly for full particulars stating probable amount you would like to invest in either of the above high-grade securities.

ADDRESS: INVESTMENT DEPARTMENT B

TITLE GUARANTEE AND TRUST COMPANY

Capital and Surplus, $11,000,000

176 Broadway, Manhattan, or 175 Remsen Street, Brooklyn, NEW YORK CITY

FIGURE 9

Conservative Investment Securities

We are prepared to supply the requirements of banks and other conservative investors in any of the following lines from carefully selected securities we own: Government, Municipal, Railroad and Corporation Bonds; Corporation Loans; Commercial Paper and Collateral Loans. A list of investments to fill such requirements as are specified will be sent on request.

August 1st last was our second anniversary. During that two years we sold more than twenty millions of investments to more than one hundred banks.

The services of this firm should be of distinct value to conservative investors. Our Monthly Bulletin on the bond and money market will be mailed free to investors on application.

R. H. GOODELL & CO.
BANKERS
MEMBERS CHICAGO STOCK EXCHANGE

218 LASALLE STREET
CHICAGO

15 BROAD STREET
NEW YORK

Commercial Paper

THREE things are necessary to make an ideal investment for a business man: 1. Security. 2. Convertibility. 3. Sufficient interest return. Commercial Paper fills these requirements admirably. 1. Its security is attested by the fact that banks buy more commercial paper than any other kind of investment. 2. Its convertibility is assured because notes can be bought payable almost any day desired. 3. The interest return is right because the rate is fixed by the supply and demand of money in the open market.

We own a supply of notes of jobbing and manufacturing houses of strong financial condition, ably managed and making money, which we can offer at 4½% discount.

Those who are interested in buying Commercial Paper are invited to call and allow us the opportunity of giving further information regarding our list of notes.

R. H. GOODELL & CO.
BANKERS

218 LASALLE STREET
CHICAGO

15 BROAD STREET
NEW YORK

FIGURE 10

HAS your wife a bank or savings account? If she hasn't, she ought to have. It will facilitate her trying business and lend dignity to her transactions—as it does to yours. It's an encouragement to save, and a guarantee of safety which every woman ought to have. We especially invite women depositors.

The Metropolitan
Trust - and - Savings - Bank
3% Interest on Deposits. La Salle and Madison Sts. Open Mondays till 8 P. M.

THE man with a dollar is just as important as the man with a million—Why? Because there are a great many more men with a dollar than with a million; and millions must grow from dollars. The same courtesy and accommodation as we give the rich await your modest savings.

The Metropolitan
Trust - and - Savings - Bank
3% Interest on Deposits. La Salle and Madison Sts. Open Mondays till 8 P. M.

FIGURE 11

The advertisements shown in Figure 10 impress me favorably because we again see the clear-cut arrangement in heading and body.

They are likely to catch the eye with a personal appeal more decisive than those advertisements shown in Figure 11, for the reason that there too much is made of the name of the company.

In the mind of the average man a bank has no individuality until it has created it. People are too busy to stop and read an advertisement, just because somebody has paid for it.

A Personality can be Different

If the advertiser is a personality like Lawson or Shaw, or Roosevelt or J. P. Morgan, or John D. Rockefeller, it is different.

The advertisement gathers individuality and interest through facts already known, and interest already aroused from dormancy.

On the contrary, however, when a corporation of which we know nothing, but which wants to arouse our interest, can make no stronger appeal to our attention than the publication of its name, we do not attach anything interesting to it as we read it—it has failed to make the best use of its space.

What kind of surroundings is any display to have?

Display is effective only by comparison.

Contrast is a great aid to attractiveness.

In some publications the pages are very black, heavy display lines and loud borders predominating. When you have such display to contend with, contrast it with a plain letter and as much white space around it as you can possibly afford.

You will thereby get more attention than if you used large space.

The eye hunts for relief from the confusion of headlines and the riot of shrieking types.

White Space is Essential

It comes to white space in a black page, or black lines in a gray page, as a needle to a magnet.

Don't be afraid of white space. It always makes valuable the space you have filled with words.

Give your ideas "room to breathe."

Keep your lines short, so the eye can easily "hold the line."

The Time to Act is NOW

As long as death is certain and its coming is uncertain, every man with responsibility must admit that the time to act is now. In its sixty-four years of history the Mutual Life has paid its policy holders 738 millions because they acted on the idea that the time to act is now. This vast sum would have been vastly greater had it included the patronage of men with equal means, in equal health, with equal needs, who failed to apply the truth that the time to act is now.

The Mutual Life Insurance Company

has done untold good, has brought untold comfort to the needy as it has faithfully discharged its accruing obligations, but it has no way of helping the man who does not come to realize that the time to act is now. Let us show you what can be done to-day.

The Time to Act is NOW.

For the new forms of policies consult our nearest agent, or write direct to

The Mutual Life Insurance Company of New York, N. Y.

FIGURE 12

KNOWN VALUE

THE Philadelphia North American on Monday said that millions of dollars of the people's savings have gone into the maws of the bucket shops and "get rich quick" swindlers operating in that city. The particular ointment that has attracted the flies of investment is large interest returns. Warren County has not been entirely free from commercial and business undertakings that have swallowed countless dollars of the people's savings. It seems strange that men of small means will touch anything of this kind—strange that they will put their savings into anything they know nothing about. Did you ever stop to ask what interest the peddlers of securities of unknown values have in securing your investments? You know he isn't working for love or for you. His *commission* on your money is the substantial consideration he has in hand. Securities of known value are the only kind wise investors will touch, and if you will apply that test, "known values," there isn't much danger of loss. Three per cent is the net rate from high-class securities, and that is the rate the old

FIRST NATIONAL BANK of Washington, N. J.

allows in its Savings Department on your deposits. But your deposit has this additional advantage: The interest is added twice a year, and the principal is at your immediate command.

Better Be Safe Than Sorry

This set-up suffers from a too insistent faith in mere queerness, *i. e.*, the panel display, and not enough co-operation between writer and compositor

¶ THE Philadelphia North American on Monday said that millions of dollars of the people's savings have gone into the maws of the bucket-shops and "get rich quick" swindlers operating in that city. The particular ointment that has attracted the flies of investment is ***large interest returns***

¶ WARREN County has not been entirely free from commercial and business undertakings that have swallowed countless dollars of the people's savings. It seems strange that men of small means will touch anything of this kind—strange that they will put their savings into anything they know nothing about. Did you ever stop to ask what interest the peddlers of securities of unknown values have in securing your investments? You know he isn't working for love or for you. His ***commission*** on your money is the substantial consideration he has in hand

¶ SECURITIES of ***known value*** are the only kind wise investors will touch, and if you will apply that test, "known values," there isn't much danger of loss. Three per cent is the net rate from high-class securities, and that is the rate the old

First National Bank

of Washington, N. J.

allows in its Savings Department on your deposits. But your deposit has this additional advantage: The interest is added twice a year, and the principal is at your immediate command. ***Better be safe than sorry***

It is submitted that this arrangement would attract attention anywhere

It makes the advertisement easy to read and the eye hunts the easy work.

BRANCHES

Nova Scotia.—AMHERST, ANNAPOLIS, ANTIGONISH, BRIDGETOWN, CANNING, DARTMOUTH, DIGBY, GLACE BAY, HALIFAX, KENTVILLE, LIVERPOOL, NEW GLASGOW, NORTH SYDNEY, OXFORD, PARRSBORO, PICTOU, RIVER HERBERT, SPRINGHILL, STELLARTON, SYDNEY MINES, TRURO, WESTVILLE, WINDSOR, YARMOUTH.

New Brunswick.—CAMPBELLTON, CHATHAM, FREDERICTON, MONCTON, NEWCASTLE, PORT ELGIN, SACKVILLE, ST. ANDREWS, ST. GEORGE, ST. JOHN, ST. MARY'S, ST. STEPHEN, SUSSEX, WOODSTOCK.

Prince Edward Island.—CHARLOTTETOWN, SUMMERSIDE.

Ontario.—ARNPRIOR, BERLIN, HAMILTON, LONDON, OTTAWA, PETERBOROUGH, TORONTO, King St. Branch, Dundas St. Branch.

Quebec.—MONTREAL, PASPEBIAC.

British Columbia.—VANCOUVER, WINNIPEG.

Saskatchewan.—SASKATOON.

Newfoundland.—HARBOR GRACE, ST. JOHN'S.

Manitoba and Alberta.—CALGARY, EDMONTON.

United States.—BOSTON, Mass.; CHICAGO, Ills.

West Indies.—KINGSTON, MONTEGO BAY, PORT ANTONIO, Jamaica; HAVANA, Cuba; PORT OF SPAIN, Trinidad.

Poor Display

Here are a number of lines set in capital letters. Hard to read, aren't they? Why should a man pay for space in a publication and then make hard to read what he has to say? Is there any excuse or reason for it?

The advertisement of the Mutual Life Insurance Company of New York, Figure 12, is effective. The double circle makes it stand out by contrast, because everything in a publication is built on straight lines and right angles.

The composition is on right lines, since your eye catches but two thoughts—"The Time to Act is Now," and the name of the Company.

There is the direct assertion which could have been made stronger by saying, "*Your* Time to Act is Now."

What man, having read that advertisement, would not have it recalled to him many times a day afterwards by the news of the hour, the death of friends and acquaintances, and the suggestion of his own inner consciousness?

The force of the suggestion is strong, and the advertisement is composed in a way to make it impossible to ignore it.

It hangs together so it must be taken in its entirety.

Analysis

Having attracted attention, let me speak of one more essential, namely. The attention must be *favorably* attracted.

We may attract attention and procure interest to such a degree as to disgust or produce resentment in the minds of our readers.

Favorable attention is conducive to close attention. The picture of bull-frogs, which suggests toads to nine out of ten men and women, used in the advertising of a brand of coffee made the advertising a failure.

Why should a coffee manufacturer select a reptile to associate in the mind with something to drink at table?

It was a strain after something different to attract attention.

Thousands saw that advertisement, shuddered and passed on—ever to associate "toads" with that brand of coffee.

We see banks advertising the poor, broken-down, outcast man "who never saved a penny," in penury and want.

Why?

Unpleasant Association of Ideas

To attract attention truly, but is it a pleasant association of ideas?

Do we not always "associate" these two things—the broken-down man and the name of the bank?

Isn't that human nature, or the science of the mind?—call it what you prefer.

The banker should not have to be warned against misrepresentation, yet some suffer from a lack of attention to details that make a false impression.

I remember a trust company advertisement which started off with $100,000,000 in large figures, followed by the words in smaller type, "is what we are after."

That was misrepresentation, flagrant and conclusive. Yet the banker who published it was only trying to "attract attention." It was a poor, slovenly, crude way to do it, from any standpoint, but represents the futile, inexperienced hand of those who do not know.

A suggestion should be an agreeable one. "If you were about to die," is not an agreeable suggestion, and is absurd, because if a man were about to die and knew it, he wouldn't care much about opening a bank account.

A Few Fundamental Rules

There are a few fundamental rules you must observe, if you wish the most attractive results. The more important have been tersely put by a well-known designer:

Don't use capitals except when you have a proper name to emphasize. People are accustomed to lower case—they get your idea more quickly in it. Besides it looks bigger in a given space.

Sound Banking
PRINCIPLES

THE conduct of this bank has been marked by the adherence to sound banking principles, and its deserved reputation for conservatism and strength has won for it the confidence of the public to an unusual degree. It has constantly widened the scope of its business to meet the requirements of its customers, and is prepared in all matters of banking to care for the accounts of Banks and Bankers, Merchants, Manufacturers, Firms, Corporations and Individuals. ¶ It invites correspondence or a personal interview with those who contemplate making changes or opening new accounts.

RESOURCES, $8,000,000

THE
Old National Bank
of Spokane

Commonplace—looks exactly like 90 per cent of the other advertising

The conduct of this bank has been marked by the adherence to sound banking principles, and its deserved reputation for conservatism and strength has won for it the confidence of the public to an unusual degree. It has constantly widened the scope of its business to meet the requirements of its customers, and is prepared in all matters of banking to care for the accounts of Banks and Bankers, Merchants, Manufacturers, Firms, Corporations and Individuals.

It invites correspondence or a personal interview with those who contemplate making changes or opening new accounts.

Resources, $8,000,000

THE OLD NATIONAL BANK
of Spokane

Different—therefore has attraction value —and has character in its difference

For instance:

Go to the Citizens' Bank
to open a savings account,

is easier to read than

GO TO THE CITIZENS' BANK
TO OPEN A SAVINGS ACCOUNT.

A Few More Rules

Don't use ornaments except perhaps one in place of an initial. Ornaments take your readers' attention from what you have to say.

Don't use freak types. They are not pretty, and are hard to read.

Don't use display forms except for a notice such as

CITIZENS' BANK
REMOVED
817 Broadway,

and, of display, never, in any case, make use of more than three lines.

Don't run more than ten words to a line—no matter how big or how small the type.

Don't use more than one type face in any advertisement. In every face there are five forms:

CAPS,

Caps and Lower Case,

Italic,

BOLDFACE CAPS.

Boldface Caps and Lower Case.

These five are enough to confuse most people.

Remember that your advertisement is *important* only to *you;* that in typography as in text, it should carry only *one* idea—and that it should be *fool proof.*

CHAPTER V

ESSENTIALS OF GOOD ADVERTISING; AWAKENING THE INTEREST

NECESSARY FOR THE POSSIBLE CUSTOMER TO BE INTERESTED—THE MENTAL LAWS MUST BE OBEYED—THE POINT OF CONTACT—THE THINGS PEOPLE ARE INTERESTED IN—PROF. JAMES' DEFINITION OF POWER—THE KNOWLEDGE OF HUMAN NATURE—WHAT IS MEANT TO BALZAC, THACKERAY, IRVING, HAWTHORNE, AND OTHERS—MONEY SAVING AND ITS UNIVERSAL APPEAL—THE PRINCIPLES OF RETAIL ADVERTISING—FALLACY OF SUBJECTIVE ADVERTISING—THE BUSINESS CARD FALLACY—THE IMPOTENCE OF FIGURES—ANALYSIS OF DIFFERENT ADVERTISEMENTS—THE INTERESTING EXPERIENCE OF THE DE KALB TEXAS EXCHANGE BANK

HAVING attracted the favorable attention of the reader what shall we do with him?

Let him go his way?

Obviously, no! we must hold him, he is a possible customer and having secured his eye and mind, we must improve the advantage.

After the Attention, What?

Interest, the authorities tell us, is the continued attention of the mind to some particular thing or thought.

We *take* an interest in a thing, because we want to and the act itself expresses a desire to do something. We can not take an unconscious interest in a thing. We are always conscious of the act or we could not be interested.

The man who is writing about a subject must be interested in it, and must be able to give his whole thought to awakening that interest in others.

The reason why so much advertising sounds strained and unreal, the kind you read and which leaves your mind passive and indifferent as a cloud passing over the surface of a pond, is because it is written by those who do not understand your relation to the things they are endeavoring to arouse your interest in. You are conscious of a certain remoteness, as if the writers were discussing matters they had never seen or known, and therefore can not make them seem real to you. We call this lack of "grip," in fact it is a lack of intimate, close, friendly enthusiasm for the subjects discussed; or, the writers lack the power to put real feelings and thoughts into words.

There are two sides to this part of the question then; on the one. What does the advertiser know about the bank and about the character

of its possible customers; on the other, Can he write so as to reflect the character and appealing power of the bank's proposition and in a way to attract and interest his people?

Arousing interest is apart from the methods to persuade people to act, or the power of creating a conviction; and now we shall talk of the power of human interest alone, because a piece of advertising may be interesting yet unconvincing, but we must first have a man's interest before he is open to conviction.

Interest is but Prolonged Attention

As interest is but attention prolonged, so the things that procure attention will generally hold it until interest is excited.

The same laws will apply in maintaining interest as in procuring attention. After getting that attention the advertiser must "make good;" he must progress from that point of contact with the reader to an interesting conclusion in an interesting manner.

If interest is not inherent in the subject, the mind will wander.

The carpenter, for instance, who sees an advertisement headed:

"A CARPENTER BECOMES A CONTRACTOR"

is at once attracted. To maintain his interest, however, the story promised by that headline must be told. The carpenter must see that the man who wrote the story knows something about carpentering, because the mind unconsciously associates lack of knowledge of one thing with a general ignorance.

I remember a very peculiar incident typical of this.

A minister who was called, on probation, to fill a pulpit in a rural district, inadvertently referred to "a steer that gave such rich milk." While his sermon was eloquent and profound in theological knowledge, he failed to receive a "call" from that congregation because, as the members of the board of trustees sagely concluded, "If he knows no more about the bible than he does about cows he isn't a safe guide to heaven."

Men appraise your knowledge of the things unknown to them by your knowledge of the things they know.

Probably every banker who reads these lines is profoundly convinced that the best bank advertising can be written only by a trained banker.

Just because the best bank advertising has not been written by trained bankers will not alter that opinion, and it is admitted that if some

one who was both a trained banker and a trained advertiser, wrote bank advertising, it would be better than the average.

The House Painter is Interested in the Things that Affect his Business of Painting; i. e., methods of mixing colors, square feet of surface covered by a gallon of a certain mixture, the making of brushes, how to estimate the painting areas, etc.

The Point of Contact

Bank bookkeepers are interested in shorter ways of taking off Yesterday's and Today's Balances, new rulings for Check Journals, the best methods of handling Remittance Letters, and so forth.

The advertiser must get that *point of contact,* where the business of the bank touches the live interests of the prospective customer.

To get at this point of contact requires experience and native brains. I shall not be able to show you where the point of contact is in all classes and individuals, but I may show you what not to do, and by this negation help you to a solution of the problem, through suggesting what to look for.

It clarifies the subject—What shall we say?

Says Prof. James

"We gain confidence," to paraphrase Professor James' remarks, "in respect to any method which we are using as soon as we believe that it has theory as well as practice at its back. Most of all, it fructifies our independence, and it reanimates our interest, to see our subject at two different angles—to get a stereoscopic view, so to speak, *of a possible customer's mental organism,* who is our enemy, and while handling him with all our concrete tact and divination, to be able, at the same time, to represent to ourselves the curious inner elements of his mental machine. Such a complete knowledge as this of the *possible customer* at once intensive and analytic is surely the knowledge at which every *advertiser* ought to aim."*

Advertising practice outside of the most successful, has taken little notice of these conditions.

To many such a method of approaching the subject will be termed dogmatic.

That is true, we confess to seeing no other way in which to attack bad practice based on bad judgment which springs from ill teaching of wrong fundamentals, than to strike at these very fundamentals and get them out of the way.

*Italics are mine.

Our Greatest Study is Mankind.

The greatest study of mankind is man, and the most perennially interesting thing to man is himself—his acts, his emotions, laughter, tears, success, failure—and when you have succeeded in reflecting this human nature, this knowledge of the human heart and soul and brain, which will make you feel and think your own thoughts as the world would think and feel them if it had them, you can hold men.

As we grow older habits form—our lives become a round of repeated experiences. These are more or less constant. Look back over to-day. It is pretty much as yesterday. Why? Because the world has not changed? Not at all, but you are the same, and each of us can only see and hear and be what we can see and hear and be.

New things arise, and we mentally compare them with our experience, what we have heard, seen, felt, smelled, touched or acted. If the new thing lies outside of our experience and we have no means of understanding it, we neglect it. We may misjudge it; we may miss our opportunity, but it has failed to meet the best of our experience and we can not appreciate it.

Action is the Common Attribute of all Interesting Things

The one great attribute of all interesting things is action.

We see the great classic tragedies, watch the modern drama of chivalry and activity, read the modern novel or romance. All are successful in proportion to their action.

There is a story, development, change, movement; "it starts somewhere and it ends somewhere," and it maintains interest by the rush and hurry of it.

Have you not wondered at the versatility of Victor Hugo, who could produce so many widely divergent characters, so many different scenes and episodes, yet make them all real, living.

Read Balzac, mingle with the crowd of soldiers, priests, courtesans, gutter-whelps, statesmen, poets, mothers, who act their separate parts in their several ways, distinct, apart, separated by the sometimes subtle differences of personality, that in others mark dominating individualities.

How was it possible?

It was Balzac, whose heart and soul and brain palpitated, as few of the world's great ones have ever done, to the harmonies of human nature, and shadowed them on the printed page.

Balzac did not know *how* it was done— but he was an unconscious pyschologist, a genius, one man in a hundred years.

The Lesson Taught by Balzac

We may not all be Balzacs, but within our stature we may realize to the utmost what we may, if we find out what was common to all of Balzac's work.

All great writers who have measured their greatness by the wideness of their appeal, and the size of their audience and their power over its intelligence, have been those who wrote "interesting" books.

That interest has been one of the greatest and most universal attributes of all great writers, as is shown in Dickens, whose books are popular, but who is great by force of certain of his books rather than by all of them. And the same can be said of Thackeray, Irving, Hawthorne, Sand, Shakespeare, and the rest.

If even a superficial analysis be made, we find that those works which are most widely acceptable to intelligent readers are those maintaining the quality of human interest for the 20th Century.

Witness: we adapt Shakespeare and edit Balzac.

The Great Mistakes of Genius

Again we find that those works which held the greatest quality of human interest are not those works of which their authors were the most proud.

They were most proud of those works that had cost them the most in conscious labor and thought, while the others flowing out of their heart and lives and experience, had no more charm or power of attraction to them.

This is the universal appeal based on money saving.

That is the fundamental keynote of all retail advertising.

If it is not expressed in "a pair of $2.50 shoes for $2.11," it is a description of superior qualities of these particular $2.50 shoes, by which all others look mean and expensive, thus appealing to the money-saving instinct by another route.

Even in the more exclusive shops, the advertiser by his reticence compared with the flamboyant pricing of the cheap store, incites to the conclusion that in his shop satisfaction may be obtained at a minimum of effort, thought and money.

This eternal appeal to the buyer from the standpoint of creating a real or fictitious want, to be satisfied nowhere else either so satisfactorily or so cheaply, is the success of retail advertising.

Of course this type of advertising, and general, to the trade, etc., can have no place here, save as illustrations of what is meant by human interest.

The Appeal of the Cheap Store

After the appeal on price comes the appeal to the vanity, the prejudices, the fads, the foibles of the human animal.

The cheap retail stores in strike times display the union label. The high-grade shops retire from the columns of papers that support the union contention.

Others appeal to the ultra-fashionable by reflecting the fad of the moment—such as a horse show, the yacht race.

The high-grade store with much restraint, pushes business by indirection, because the sensitive feelings of madame must not be wounded by so coarse a thing as a suggestion of bargaining.

The poor, however, with the ever-present problem of making a dollar go the greatest way, before and behind them, want the price first and then to be told of quality.

The advertising pages reflect the public, to which a publication appeals, better than the reading matter.

Gladstone and American Advertising

That this is no fine-spun theory, Gladstone bore witness in his assertion that he kept American magazines in his library, because they reflected the mental as well as the business condition of America.

In a recent address Mr. Justin McCarthy, Jr., said that "advertising is the art of making truth attractive,"* and I would go a step farther, and say, "attractive and interesting," for fear I should not be understood as saying attractive to the eye and understanding of my reader.

The quality of interest is a purely subjective one—a dollar is more interesting to a starving man than to a man who has dined.

A row-boat is not half so interesting as a threshing machine to a Dakota wheat farmer.

There is a well-known law, which a famous teacher has put in this way: "Any object or subject not interesting in itself may become inter-

*Before the Brooklyn Y. M. C. A.—N. Y.

esting through becoming associated with an object or subject in which an interest already exists. The two associated subjects grow, as it were, together; the interesting portion sheds its quality over the whole; and thus things not interesting in their own right borrow an interest which becomes as real and as strong as that of any natively interesting thing."

This is the law of the association of ideas. It is aptly shown in the case of the carpenter who sees that one of his craft has become a contractor, and he reads the true story, which tells him that the carpenter had put away money in a savings bank, and when his opportunity came to get a contract, he had the money which gave him standing and credit.

Approaching the Carpenter's Life and Work

The carpenter reader was not interested in saving, but he was interested in carpentering and contracting, which was one of his ambitions; a play on this interest led him into thinking about saving money, which was the object of the advertisement.

It is very difficult for a man whose views are mainly about himself and his own life to place himself in the necessary semi-judicial attitude towards his business patrons, and express that lively and sympathetic interest in their every-day lives which draws and magnetizes a community, until the advertiser and his bank have a following that become partisans.

"It is unfortunate that so many good advertisers have been poor bankers when they have not been dishonest" was the way a St. Louis banker put it to the writer, and he was not far wrong, but this need not prove a handicap.

Cashiers or other executive officers must understand, however, that the capacity by which business is obtained is a vastly different ability from the capacity by which it is managed and retained.

Brisbane, the Editor, Wonders

Brisbane, the chief editorial writer of the Hearst newspapers, said at a meeting of an advertising organization in New York that he "might write about anything, but advertising managers have to write about suspenders. I don't see," he continued, "how you do it. Yet you deal with one of the greatest problems of the times—distribution."

Here is the problem: how to write about one subject, one only, day after day, and yet obtain and hold the interest of the public all the time. If you are writing about savings deposits it is not the interest of deposits to your bank, but the interest of your bank to the depositors that you must consider.

Union
National
Bank
Cleveland
Ohio

FIGURE 1

HARVARD
TRUST COMPANY
Central Square, Cambridge, Mass.

General Banking and Trust Business
Safe Deposit Vaults
Capital, $200,000 Surplus, $120,000
Deposits, $1,500,000

W. A. BULLARD, President
E. D. LEAVITT, Vice-President
W. F. EARLE, Treasurer
DIRECTORS
W. A. Bullard — H. Endicott
E. D. Leavitt — W. W. Dallinger
F. W. Tilton — A. M. Barnes
F. A. Kennedy

FIGURE 2

GATES W. McGARRAH, President. ALEXANDER E. ORR, Vice President. NICHOLAS F. PALMER, Vice President
ANDREW A. KNOWLES, Vice President. FRANK O. ROE, Cashier. ROBERT U. GRAFF, Assistant Cashier

The Mechanics National Bank
Of the CITY OF NEW YORK.

CAPITAL, $3,000,000.00. SURPLUS, $3,458,000-00
DEPOSITS, $37,000,000.00.

Chartered 1810. CORRESPONDENCE INVITED

FIGURE 3

New England National Bank
EQUITABLE BUILDING, BOSTON

INVITES DEPOSITS

STRONG SAFE PROGRESSIVE

FIGURE 4

Of course, the easiest way is to trust to luck and put in your business card, nicely arranged, like Figure 1, which stares at the onlooker without individuality, mute and impotent, as a salesman who presents his card and says nothing. This is an example of hundreds of business cards appearing in the banking publications, at once a waste of money and a reproach to the intelligence of the man who pays for the space, as well as to him who reads them.

Figures 2, 3 and 4 are a step forward and typical of another large class, being somewhat more to the point than Figure 1.

It is submitted, however, that these advertisements are not business makers.

Analysis of Advertising

They do not start out of a page by the force of typographic display, figuratively grasp a man by the hand and hold his attention while they persuade him to do business with them.

There is nothing forceful or suggestive about them.

They can be compared only to that kind of a salesman who calls regularly for the order Mr. Jones has made up and has waiting for him.

These advertisements accomplish only what a name in a directory accomplishes, directing where a cashier can find a correspondent or a collecting agent for some special work.

But they can never make an active canvass for business, and in competing with other banks such as all these particular banks must do, they have given no cause for a preference.

The mere publication of figures of enormous capital and surplus has ceased to have that hypnotic effect which once belonged to them.

They, too, want service, and they want service for all sizes of collections and for all kinds of business.

Analysis of an Advertisement

Let us compare with the foregoing, Figure 5 as an example of an interesting, conclusive and suggestive claim on the interest of those who want a Pittsburg connection. It is a salesmanlike, candid, above-board statement of principles and business methods. Rather common-place in typographic arrangement, yet by contrast with the other displays of the publication in which it appeared, attractive and noticeable.

Better in display is Figure 6. Note the phrase, "Direct correspondence," which will appeal to the country and small town banker, who appreciates quick action for his customers. The appeal in this advertise-

THE EARNINGS OF A BANK

for a period of years reveal the character of the management.

Some bankers stake all on a single throw—live only for the present—and center their every effort on the profits for **THIS** year, with little thought for the future.

Such men are sometimes called **BRILLIANT** bankers. They lack conservatism, are apt to speculate, and may take an unfair advantage of a customer.

Others take deep thought of the future without neglecting the present.

They are **CONSERVATIVE** bankers. They are like the farmer who carefully fertilizes his soil for future crops—the operator who blocks out large quantities of ore for future milling—the steel manufacturer who fortifies his position by acquiring large holdings of ore and coal lands for future development. Their acts are sure to be guided by equity, and a "square deal" for all is assured. Such a bank should show increased earnings from year to year.

The Mellon National Bank of Pittsburgh is such a bank, as the subjoined table of annual net earnings will show. It would like to form an active connection with such other banks, bankers and trust companies as operate on its own conservative lines.

Net Earnings

1903	$332,175
1904	367,764
1905	419,851
1906	625,205

Mellon National Bank of Pittsburgh

Resources Over 41 Millions

FIGURE 5

The FIRST NATIONAL BANK OF CHICAGO, with resources of one hundred and twenty-five million dollars, cordially invites the business of BANKS and BANKERS, feeling confident that its splendid facilities and comprehensive system of *direct* correspondents will render an account once established, of permanent and mutual satisfaction and profit.

JAMES B. FORGAN, . President
HOWARD H. HITCHCOCK, . Vice Pres't
CHARLES N. GILLETT, . . Cashier

FIGURE 6

WISCONSIN COLLECTIONS

We cover the entire State.
Direct, quick and satisfactory service.

Write us for terms

Merchants' and Manufacturers' Bank

MILWAUKEE, WIS.

The Youngest Bank in the City

FIGURE 7

Old Colony Trust Co.

of Boston Capital and Surplus, $7,000,000

The combined capital, surplus and stockholders' liability of the Old Colony Trust Co. is larger than that of any other Trust company in Massachusetts.

Obviously the Old Colony Trust Co. is the best custodian of bank accounts, and its safe deposit vaults the best place for papers and articles of value.

Our book, "How to Keep a Trust Company Account," mailed free on request.

Old Colony Trust Company, Boston

Main Office
Ames Building

Largest in Massachusetts

Branch Office
52 Temple Place

FIGURE 8

Estate Management Economy in administration, and increase in revenue—these are features of our estate management. Our complete equipment for this work, as well as a thorough knowledge of real estate and investment conditions, permit us to offer an unequalled service. Whatever the size of your estate, we can relieve you of all detail and worry, paying your income at stated periods.

THE COLONIAL TRUST COMPANY

317 FOURTH AVE.—314-318 DIAMOND ST., PITTSBURGH, PA.

Capital, $4,000,000.00 Surplus and Profits, over $6,000,000 00

ASK FOR LIST OF SAFE INVESTMENT BONDS

FIGURE 9

Your Farm Is Worth $50 An Acre. Isn't It?

You would not think of letting an acre of it lay idle, would you? How about that $50.00 in your pocket book Is that earning anything? WHY NOT? Bring it to the

STATE BANK OF CLAREMONT,

and it will pay you good interest for it
You have worked for your money, let your money work for you.

FIGURE 10

A FOOL'S MONEY is soon coaxed away from him.

A WISE MAN'S MONEY is kept on deposit at the

FARMERS BANK OF SELMA

FIGURE 11

The young business man

who has demonstrated ability successfully to conduct a small business will receive special attention and consideration from

THE NATIONAL BANK OF THE REPUBLIC

BOARD OF DIRECTORS

JOHN A. LYNCH
President

ROBERT MATHER
Pres. Rock Island R. R. System

LOUIS F. SWIFT
Pres. Swift & Company

JOHN V. FARWELL, Jr.
of J. V. Farwell Co.

E. B. STRONG
Capitalist

JOHN R. MORRON
Pres. Diamond Glue Co.

CHAS. H. CONOVER
Vice-Pres. Hibbard, Spencer, Bartlett & Co.

HENRY SIEGEL
Pres. Simpson-Crawford Co., New York

FRANK E. VOGEL
Vice-Pres. Siegel, Cooper & Co.

ROLLIN A. KEYES
Franklin MacVeagh & Co.

J. B GREENHUT
Capitalist, Peoria

H. W. HEINRICHS
Vice-Pres. M. D. Wells Co.

W. T. FENTON
Vice-President

Capital, Surplus and Profits, **$3,000,000** La Salle and Monroe Streets

FIGURE 12

For sunshine and health, for the day of opportunity, for the "rainy day"—

Your savings account with The Royal prepares you for them all.

We help you save. Steel banks for the home. Open all day and evening Mondays. 3% interest.

ROYAL TRUST CO.—BANK

Royal Insurance Building, 169 JACKSON BLVD.

Capital and Surplus, $1,000,000

JAMES B. WILBUR, President
EDWIN F. MACK, Vice-Pres. and Cashier
JOHN W. THOMAS, Asst. Cashier

FIGURE 13

ment is direct, it hits with precision and force one thing about which it knows many bankers fume and rage; i. e., the delay of the roundabout methods of some metropolitan banks in handling the small bank business.

In Figure 7 we see a business-like method of handling a small advertisement. The advertiser wants Wisconsin collections and he says he will handle them in a certain way. The line, "The Youngest Bank in the City," may seem strange, when all banks seem to strain after age and large capital as if they were the only passports to business.

As I have said, however, the business-like cashier wants service and he will be impressed by that line. "Here is a bank that *wants* business, it is young and hustling. Send it some of our Wisconsin business," is the way he thinks.

Excellent Display, but Poor Copy

The main feature about Figure 8 is its excellent display, which for attractiveness far outshines any of the others, but the copy is obviously tame and lacking in interest, except to one class of people, those who want a *safe* place for their money. It is submitted these people are in the minority, as contrasted with those who want safety for money and service. How many people would be drawn to asking for the booklet as compared with the number who would answer an advertisement like Figure 9, which has nothing to commend its display, but how much more forceful is the copy in its concentration upon "Estate Management" as a topic, and then its definite suggestion of lessening expense and increasing income.

That attracts the attention and certainly holds the interest of the people whom it is worth its while to interest.

Getting the Farmer

Turning to savings and small bank advertising, Figure 10 gives us a glance into the heart of a rural community, which country bank advertising such as Figure 11 can not hope to interest. The banker in the former strikes at the farmer's closest and most intimate interest.

It sets him to thinking.

The man who doubts the relative merits of these two advertisements, has but to try the two on his farmer constituency and see what they say.

The specific appeal is always stronger than the general.

It is always stronger to say, "Your money," than to say, "The money of the people."

Were You In on This?

Of course you recall the glowing prospectus of the "California Fruit Growers' Association." It was going to return you something like 30 per cent on your investment, and possibly some of your savings went into the maw of this concern. The United States Grand Jury has ripened the fruit of this association. All the officers of the association have been indicted for using the United States mails for the purpose of swindling the public.

This is only one of thousands of similar speculative schemes which appeal to cupidity. John D. Rockefeller has the only receipt for a competency or wealth that has never been known to fail: "Hard work, self denial and wise investment." The fraud and the fakir have added to this homely formula, and a good many of them have gotten rich quick off of other people's earnings. To invest one's savings wisely, is as important as the hard work and self-denial. The ***Old First National*** of Washington provides the quick and easy way for absolutely safe investment. No matter how large or small your savings are, they are absolutely guaranteed by a million and a half of assets, by the protection of careful government supervision, and by the character and business experience of the men responsible to you and the Government for their safety.

Better Be Safe Than Sorry!

FIGURE 14

Starting a Bank Account

IT IS no more trouble to open a bank account than to buy a pound of nails. Come in and say to any employe or officer of the bank, "I want to open an account." You will be directed to the right window. Tell the man in the cage how much you want to start the account with. He will fix up your pass book, give you a supply of deposit tickets and blank checks, and will ask you to write your name so the bank men will always know your signature wherever they see it. The amount of your deposit will be credited in your pass book. All this will not take more than two minutes, and you will have facilities for saving money and taking care of it that are unknown to the man who is not a bank depositor.

You can open such an account with the ***Old First National Bank of Washington,*** where your money will be earning 3 per cent interest, and is secured by nearly a million and a half dollars of assets.

FIGURE 15

Analysis of Figures 12 and 13

In Figure 12, we see the specific appeal made indirectly. If that first line had been changed to, "As a Young Business Man, if You Demonstrated," etc., I think it would have been more interesting. While the appeal in Figure 13 is direct, yet it is too vague and trite in the opening paragraph to make it as interesting as that in Figure 12.

Neither Figure 14 nor 15 can boast of very striking type display, but the use of white space will help them.

The copy is very interesting and well written. Strange to say, too, this particular copy was not prepared by a bank man, but by a newspaper editor whose brother is a banker. This very fact perhaps gave the advertising the saving quality of news, which, because it is new and strange and out-of-the-ordinary, is always interesting.

Figure 14 for instance, has a story to tell about the collapse of a stock-jobbing proposition in which some of the bank's local people were no doubt badly nipped.

It requires some strength of character and purpose to publish an advertisement like that, but is is exactly what the public wants the banker to do—tell it what are good or bad investments, warn it, and teach it.

Interest Maintained

The attention is attracted by the personal appeal in the headline, and the interest is maintained all the way through.

Nearly every daily newspaper, and many of the weekly and monthly publications, were occupied at the time these advertisements appeared, in discussing the class of topics which made this subject timely.

The advertisement, "Starting a Bank Account," is definite and direct, instead of vaguely general, and full of promise about courteous treatment, and has an air of "don't be afraid, we won't eat you," about it.

The headline importance is illustrated in Figure 16, where we have an economic fact stated in a way that will not attract many outside of the more inquisitive of those who read it.

It is needlessly lacking in human appeal.

A Suggestion on an Advertisement

Why would it not have been better to say, "Save a Part of Your Day's Work," as the headline and make a center display (which would be out of harmony and ineffective in so small a space) of "Money is

Money is Stored Labor

Every dollar you earn represents a certain number hours of your labor.

It is labor in a condensed form, convenient to exchange for the products of the labor of others, or to hold in storage for use in later years when your strength fails.

PUT AWAY A PART OF TO-DAY'S WORK

of tomorrow's work, of every day's work, NOW, while you have earning capacity.

Your stored labor will support you in comfort in a few years. Can you save a dollar every day to put in the bank? Or 50 cents? Or 25 cents? If so, you ought to be doing it. It's a pity to waste all the work of these good years, but many are doing it.

Be wise, and bank a part of the earnings of each day at the

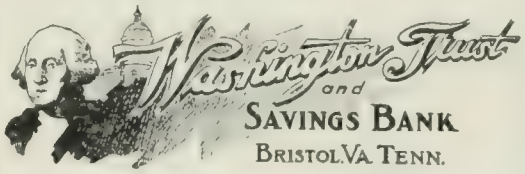


FIGURE 16

Some Wonderful Stories

are being told to influence market conditions and prices. Not only have the "green bugs" eaten up all the winter wheat, but they have attacked the humbler fare of oats. The grain market went wild, and the price of railroad stocks declined.

The stories will have accomplished their purpose, but when the time comes the American farmer will sell wheat and buy pianos. The farmer has money, and the luxury of a few years ago is the necessity of today. The barns may not be quite full, but they will be painted just the same. He raises and sells grain, and husbands his income above needs, and he doesn't *risk his earnings* in hazardous speculation. He doesn't *chance* his principal for unnatural and impossible returns. The slower way, but the surer way, is his.

The returns from high-class investments is about 3 per cent, with Government bonds the standard of return, and this is the net return from his deposits in the Savings Department of the **Old First National Bank** of Washington, but with this additional advantage: Principal and interest are his on demand, and the interest is added to principal twice a year. The careful, prudent man would

Rather Be Safe Than Sorry

FIGURE 17

Stored Labor?" Thus the advertiser would have led his reader up to the subject and made it interesting.

Personality Comes Later

In a later chapter I shall give more extended space to the item of personality, which is one of the most interesting things in advertising.

Next to himself a man is most interested in men, and particularly in men of striking personality.

From this native interest springs the almost universal desire for gossip.

The personal news columns in the newspapers, the articles about the celebrities of the stage, the pulpit, the forum and business, bear witness to it.

Articles of "human interest" are sought by all editors, and the man who can write interestingly and with information about personalities is always sure of a welcome.

Another thing, do not forget the value of anecdote and illustration by means of stories.

We have seen how people are interested more in action than in description.

You and I would rather read a good story than a page of statistics about clocks.

Antidote for Panic Talk

Figure 17, in a very mild way, preaches the sermon of faith in the future as an antidote for panic talk, such as was being sent out from brokerage houses and news bureaus at about the time this advertisement appeared.

While this advertisement is not an example of a story or an anecdote, it reflects by comparison the real condition of the country, and is more effective than statistics.

Abraham Lincoln knew better than any of our great leaders, the value of anecdote as a means of driving home the point of an argument.

He knew the value of a story as an answer to an argument.

Let us reflect that old Dr. Johnson's learned essays woo Morpheus to the eyes of the most eager student, while Boswell's record of his conversations and reflections have fascinated the minds of men for over a century.

"Give Us Real Life"

The cry comes from the public: "Give us real life—not sermons! Give us real people—not manikins!" and as advertisers we must heed the command.

The mere duties and offices of a bank are interesting in themselves, and if described by comparisons with the daily life experiences of humbler folk and others, can be made to hold the interest of the public.

Probably one of the most successful advertisers of small banks is the cashier of The DeKalb Exchange Bank of DeKalb, Texas. We take a great deal of pleasure in quoting from an address given before a district meeting of The Texas Bankers' Association, January 19, 1907, in Dallas, by W. D. Sanders, cashier:

"I only know what we have tried and other bankers can judge from the results we have obtained whether we are right.

"Under date of December 12, 1906, Printers' Ink of New York City, the standard journal for advertisers, says:

The Case of the DeKalb Exchange Bank

" 'The town of DeKalb, in Northeastern Texas, has only 600 people, and is the center of a thinly settled farming community embracing about 15 miles square. There are a good many towns larger than DeKalb throughout this country that have no bank of any kind. But DeKalb has a bank, a commercial bank at that, and has had it since 1887, and it is not only one of the best known banks in Texas, but one of the best advertised country banks in the nation. Perhaps it would not be going too far to omit the word 'country' and say that The DeKalb Exchange Bank is one of the best advertised banks of any kind, considering its resources and limitations * * * The notable thing about Mr. Sanders' advertising is the way in which it is adapted to his particular bank, and the people in his territory. All his ads., whether in the form of a newspaper announcement, hanger, letter, mailing card, etc., are little talks that tell the people what The DeKalb Exchange Bank is willing to do for them."

"The DeKalb Exchange Bank, a small private bank in a small town, was originally started in 1887. Our advertising experience dates from 1902, when we began to realize that we were not getting the business that belonged to us. Our farmer friends, after marketing their crops, would take their money home with them. We felt that they should have deposited this money with us, for we believed we had their confidence, as we had been there always. Our business did not seem to grow, and we had deposits ranging only from $15,000.00 to $40,000.00, according to the

season. We realized that something should be done, and we decided that that "something" should be advertising, as we had always heard that 'advertising pays.' The DeKalb Exchange Bank

"We did not know anything about advertising, but bought a book of ready-made ads., and we began publishing them in our weekly paper. During the year, we studied the advertising question, and when at the end of the year, we could not see any tangible results from our campaign, we felt that we were on the wrong track, and still realizing that we were not getting the business we should, we decided to continue our advertising, but discontinue using the ready-made copy out of our book. The more we studied the question, the more we became convinced that we were using the wrong kind of copy. The advertisements we were using would fit any bank from Alaska to Mexico. We were not telling the people anything about *our* bank; there was no personality about them; they were just as likely to take a man into our competitor's bank as into our own. We were merely keeping our name before the people without telling them *why* they should do business with *this* bank We were paying a high price for publicity. The people knew we were running a bank, but our copy had failed to tell them how our bank could be of benefit to them; they did not take the lesson to themselves.

"We decided to change our style of copy, and have it prepared especially for ourselves; copy that had some life and personality about it, copy that would be strongly localized; copy in which a man could see our bank while he was reading it, and copy that would fit our bank and our bank only.

"We wanted copy that would be different from the old-style stuff we had been in the habit of seeing and we decided to have each ad. prepared on the order of a short talk and to have the copy make only one line of argument. We wanted every ad., as far as possible, to first show the necessity of a bank account, then to create the desire for a bank account, and both combined to have force enough about them to bring the man into our bank.

"We decided that we would not waste our ammunition by firing at a different object each week, but to have each ad. directed towards one object. This being a farming country, we could not push the savings feature as is used by the savings banks. The 'safety' argument is good everywhere and at all times. We pay no interest on deposits, so that line of argument was closed. As most of our business is drawn from the farmers, and the majority of the farmers usually need help during

The DeKalb Exchange Bank

the summer, we began to talk about the help that this bank was able and willing to extend its customers; we told them what we had to offer and what we could do for them. This is the way we told it:

WHEN HARD TIMES COME.

That's the time you want good strong friends, and if you do not have them, the hard times will get the best of you.

But whether you strike a lean streak or a fat streak in business; whether you are prosperous or otherwise, you want good helpful friends.

This is what we strive to be to our customers.

Our assistance has helped many of them to struggle through hard times, and we have aided them to make the best of good times.

This bank is a helper. It is always active in the service of its customers, and in the promotion of their interests.

They are among the most prosperous people around De Kalb, and they will tell you, if you ask them, that our assistance has been of the greatest value to them.

"Our local paper had a rather limited circulation, and we were not reaching enough people. About this time, the small syndicate monthly paper was brought out, and we began mailing out 1,000 of them to our farmers every month. We have three original ads. in this paper every month, and we have found this paper to be the best advertising medium that has ever been brought to our attention. A man will read an ad. in the newspaper and will not take it to himself, but when you mail him your own paper, he feels that your message is directed to him, and before he knows it, he begins to feel an interest in your business.

"We endeavor to have every ad. appropriate for the season. For Christmas we gave them this:

THE CHRISTMAS SEASON.

We know that our customers are better prepared than ever before, to enjoy Christmas and to approach the holidays with contentment and the comfort that comes with prosperity.

They are all better off than they were a year ago, and we are glad to know that by affording them the best banking facilities and the most generous accommodations, we have helped that prosperity along.

The DeKalb Exchange Bank

For many years we have had a reputation second to no bank in Texas for standing by our customers. We have stood by them faithfully in lean years and fat years.

They have again and again expressed their satisfaction with our service and our helpful friendship.

They have given us their confidence and that confidence has never been betrayed. We have always more than fulfilled our promises, and with our experience and growth we have always done better from year to year and we are now able to do better than ever.

If you are not a customer of The DeKalb Exchange Bank, just ask any of them whether you should not become one.

"We consider this a specially good ad., for a person starts off reading something about the Christmas spirit, and before he knows it, he is reading about the service this bank renders. We wish them a happy New Year in this manner:

A HAPPY NEW YEAR.

We wish to all the people of DeKalb, to all the people within reach of DeKalb and to all the people of Texas, a happy and prosperous New Year.

The year just past has been a prosperous one with our customers and with us. We have had confidence in the people and the people have had confidence in us.

Whatever a bank could do we have done to aid their prosperity, and while we have helped them to take full advantage of a prosperous season, the season has greatly increased our ability to render assistance.

No people in the world better deserve a prosperous and happy New Year than the hard-working farmers of this part of the great empire of Texas.

Come to us and let us work together during 1907, for greater prosperity for all.

"This being a private bank, it was necessary for us to tell the people something about ourselves, as the average farmer thought the government was behind a National Bank. Here is a typical ad. we used for that purpose:

The DeKalb Exchange Bank

THIS BANK IS NOT A CORPORATION.

It is an unincorporated bank, and for that reason all of our property is subject to the demands of our depositors, and there is no chance of any evasion of responsibility behind corporation restrictions.

This bank and all that there is in it, with its individual deposits of $215,000.00 and its cash on hand of $187,000.00, together with all the assets of this bank, and all of our property, of whatever description, is subject to the demands of our depositors and stands as security for their deposits.

The same freedom from corporation influences enables us to exercise a liberality towards our customers that is impossible with incorporated banks.

We do business with the largest margin of safety, and with the largest possibilities of assistance to our customers.

We have been doing it since 1887.

"Another advantage we have over a National Bank is that we are able to assist our customers in buying land. Here is the way we tell them about it:

WILL YOU BUY A FARM THIS YEAR.

If you are working on a farm, and know how to farm, why not have a farm of your own? You may not be able to buy one this year, but you can make up your mind this year, and if you keep your mind made up, you can buy it some other year, and sooner than you suppose.

The way to do it is to make up your mind at once, and then begin to deposit your wages in The DeKalb Exchange Bank. Your deposit will grow and your chance will come. We will show you how to buy a farm. We will help you to buy it, and we will help you to stock it and to make the crops.

When we see a man steadily saving his money, we know he is a safe man and we will go the limit in giving him credit.

Just try our plan of getting a farm, and in a few years you can be your own boss, and from the time you make your first deposit, you will begin to be rich.

"Another one on the same line:

IF YOU OWN A FARM, OR WANT TO OWN ONE.

If you own a farm and get money for your crops, you want to have a safe place to deposit it, and you want to be

The DeKalb Exchange Bank

able to draw your check and keep your accounts correctly, the same as any other business man.

If you do not own a farm, but are working on a farm and know about farming, you want to own one some day.

In this case, you want to save a portion of your wages and deposit them in a bank.

Your fund for buying a farm will grow much faster than you think, and it won't be so very long after you get started that you can see your way clear to becoming a land-owner.

If your savings are deposited with this bank, we will be ready to point out ways to you in which you may buy a farm with little money and start upon the road to independence.

This bank helps all its customers. If they own a farm, it helps them to make it productive, and if they do not, it helps them to become owners.

The success of our business has been in the helping of our customers, whether they have little money or much money. We are continuing it upon the same lines.

"We want the farmers to consider us their friends, and we are continually trying to impress upon them that we are anxious to help them. This ad. will make them feel that we are running this bank for their benefit:

ALWAYS WAITING FOR A CHANCE TO HELP OUR CUSTOMERS.

There would be no business for this bank, unless our business was conducted for the benefit of our customers.

It is the help that we are able to give them that helps us. If we are not useful to the community, there is no excuse for our existence.

We are useful and helpful to all the people in the DeKalb territory, and we are always waiting for a chance to be helpful to them.

This is not only a safe bank, the fortunes of whose owners are wholly pledged to depositors, but there is not a bank in Texas that better knows the banking wants of the farmers, or is more willing to help them, within the limits of safe banking.

Give us a chance to be helpful to you.

The DeKalb Exchange Bank

"Our little paper goes out on the first of every month, and about four or five times a year, we send out something on the 15th of the month. This is usually a card, booklet or folder, and is mailed out when the crops are being marketed and we want to keep things hot. The cards we mail are made of heavy cardboard, and are 5¼x9 inches, and here is what we say on one of them:

WHEN YOU COME INTO DeKALB, COME TO THE DeKALB EXCHANGE BANK.

There's a warm welcome and a pleasant reception awaiting you. This bank will receive your deposits and if you are a customer, it will help you in every possible way.

We will write your deeds, attend to all your legal business, and give you financial advice free of charge. All of its experience, all of its resources, and all of its knowledge is at the service of its customers.

This is a private bank and all of our property stands as security for our deposits.

Make our banking house your headquarters when you are in DeKalb.

"At frequent intervals, we mail out circular letters, fac-simile typewritten, giving more reasons why people should come to this bank. We endeavor to make these letters rather personal, as this extract from one will show:

If you are expecting to open a bank account, you will want to ask some questions in regard to the bank soliciting your business. You have a right to ask these questions and we recognize that right. We believe you ought to know what a bank has to offer. This bank offers:

FIRST, and most important of all, is security. Besides the capital invested in our business, our entire personal property and real estate stands for our deposits. This is not the case with incorporated banks.

SECOND, and a very important consideration also, is to know if the bank having your money on deposit is able and willing to help you in time of need. We are able to help our customers, and we pride ourselves on the fact that we have always been willing to help them. Either of these considerations without the other is useless, for a bank must be both ABLE and WILLING.

The DeKalb Exchange Bank

THIRD, you should look around and see if your bank is doing anything towards upbuilding your country. We assist in building brick houses in our town; we take up land notes for our customers; we assist them in buying land and in numbers of other ways. A National Bank can not do these things without violating the law.

FOURTH, and another important consideration, is to know that your business will be kept private. When you deposit or borrow money here no one ever knows it but the President and Cashier of this bank, and when you want to borrow, you have to see only the Cashier, whereas, in an incorporated bank, your loan must be inspected by a number of directors and stockholders, some of whom you probably do not care to have know your business.

We have lived here 35 years; this bank has been established 19 years and it is something to know that your money is in a bank that has weathered the financial storms of the past and is now in better shape than ever to weather those of the future.

"We never use the copy but once, as we never want our copy to get stale. We keep continually telling them the same thing, but in a different way.

"At the end of the first year of this kind of advertising, we had a crop failure such as is known to every banker in East Texas, yet our deposits were $100,000.00. We kept continually at it, and now we have, as shown by our last published statement, individual deposits of $215,000.00 and cash on hand of $187,000.00, and we show in our statement where this cash is. Our object in showing where this money is, is that some competitor may try to make the people believe that their money is not safe with us, as this is a private bank, but when we show them that we have on hand about 90 per cent. of our deposits in cash, their argument falls flat.

"This advertising is costing us about $1,200.00 per year, but we consider it money well spent, for we are making more money than ever; we have created a good will among our people that would be hard to estimate the value of in dollars.

"Our policy consists of keeping continually at it, and never letting up for any cause. It takes a great deal of time, and unless a banker is prepared to spend money, give his time and attention to it, it would

The DeKalb Exchange Bank

probably be better to let it alone; likewise, trying to advertise spasmodically or with a small amount of money will prove a failure.

"We live in a town of 750 people; the country surrounding DeKalb has probably 3,000 people; yet we have 750 accounts on our books. Counting five to a family, there are only 600 families in the country tributary to De Kalb, which shows that we have more accounts than there are families in our territory, and since there are a great many people that have no accounts with us, it shows that we are going out of our territory.

"Our bank has no stockholders or directors to work up business on the outside for us, and we depend entirely on our advertising to bring the people into our bank, then by giving them such treatment and service that they never quit us."

BUSINESS AND FRIENDSHIP.

There is no reason why business and friendship should not go together. With our customers, we try our best to combine business and friendship.

We conduct our business in the most friendly manner with our customers and with a liberality and generosity that can not be exceeded in the banking business.

But our friendship and interest reach outside of business. We are always ready to extend every personal and friendly service within our power.

We will give you advice free on all financial and business matters, we will write your deeds free, we will send money to any part of the world free, we will cash your checks on other banks, and we provide for you, in our banking rooms, a pleasant and convenient resort.

All of this is accompanied with absolutely safe banking.

NEXT YEAR'S FARMING.

Has this year's farming been successful? Whether it has or not, you want to take every chance of making your farming successful next year.

You want to get all the help you can and you especially want to secure the help of a helpful bank.

The helpfulness of a helpful bank is easy to obtain, if you are within reach of DeKalb.

For many years we have been helpful to the farmers in and around DeKalb, by extending to them accommodations

that in liberality have not been exceeded by any bank in Texas.

We are ready to do even better for them in the future; for their generous patronage has been an encouragement to us to enlarge our facilities and to increase our accommodations.

Let us be helpful to you. Come here and join the hundreds who have advanced towards prosperity through our aid.

THE "HAND" ON THE FARM.

If you are a "hand" on a farm, do you want to always remain a "hand?" If you do, we have nothing further to say. But if you would like to have a farm of your own we want to tell you that there is no reason why you should not have one, and we can tell you, in a few words, how you can get one.

Save some of your wages every month and with what you save, open an account with this bank. By keeping steadily at it, the amount will soon grow, and we will tell you how, with a much smaller amount of money than you suppose, you can gain possession of a farm.

We will help you to buy it in the first place and we will give you assistance in operating it, afterwards.

Just put this idea in your pipe and smoke it, then act upon it and a very few years will see a great change for the better, in your condition.

Begin, right away, this week, to buy a farm."

The Important Part of the Experience

This story of Mr. Sanders needs no foot notes, but I would ask you to note carefully how he has succeeded in making his advertisements distinctly his own. There is hardly one that could be transplanted bodily to any other bank without a loss of efficiency and character. This is excellent practice of a good theory.

Probably the most difficult yet profitable thing in a bank's advertising, is to make the statement not only attractive but even interesting.

Several have attempted to do this by merely elaborating the manner of printing it, forgetting that it was the reading matter that made it uninteresting, when bad printing did not make it repellent.

It has often been said that the average bank director could not tell the actual condition of his own bank from the statement it issued.

An Understandable Statement

If I am not mistaken Mr. E. G. Tillotson, Secretary and Treasurer of the Cleveland (Ohio) Trust Company, was the first to issue a comprehensive and understandable statement for distribution to the public.

This statement was interesting, because it told something about the condition of the institution in a way that the average man could grasp and understand.

The illustrations on another page (Figure 18) show an old statement of the Cleveland Trust Company, but one that best illustrates the value of the statement made in this way.

To show that this form can be applied to National Banks as well, we exhibit a statement issued by Thomas W. Pomeroy, formerly cashier of the People's National Bank, Tarentum, Pa. (Figure 19.) With the statement Mr. Pomeroy sent the following letter:

Dear Sir—We are sending you herewith a statement of the condition of this bank that we think will interest.

Ordinarily the statement of a bank means little to the depositor—even the bank directors frequently fail to understand the full meaning of the figures presented.

We feel that this is a mistake. A statement should be so made out that everybody will understand it. Those who do business with a bank have a right to know just what its condition is—and this bank at least is anxious that everybody should know how strong it is and how well able to serve its depositors.

The enclosed statement aims to present the various items of resource and liability in a way that can be understood by anybody. It is somewhat of a new idea in the way of bank statements, and we will be pleased if you write and tell us what you thing of it, or come in the first time you are down this way and talk it over. Very truly yours, THOS. W. POMEROY, Cashier.

Generally an Intricate Puzzle

This style of statement analyzes each separate item of resources and liabilities. If placed before the average man, for instance, the wage earner, the school teacher, the preacher, the factory hand and the small savings class, it means so much more than the intricate puzzle of the ordinary statement, that it cannot help but win the interest, confidence and consideration of the patrons of the bank whence issued.

It is the old story over again, where unreserved candor is half the battle.

Under the head of Resources, "Bonds and Stocks" is an item that in this year of 1907 is synonymous with events calculated to scare the ordinary man into keeping his money in a tea-kettle, because he has heard so much of the stock market as a place where all kinds of high and lofty financial tumbling is done, that he is chary about trusting his money in a bank or trust company that handles stock.

THE CLEVELAND TRUST COMPANY

A STATEMENT OF CONDITION

So plain that all who read may understand.

Notice particularly the heavy Reserve; the strong proportion of Demand Assets; the large Deposits.

These show that the confidence of the people is justified.

COMPARATIVE STATEMENT OF DEPOSITS

Commenced business September 10th, 1895

April 4, 1896,	$ 268,091.32
April 3, 1897,	1,364,151.66
April 4, 1898,	2,649,120.39
April 3, 1899,	3,693,115.23
April 2, 1900,	4,169,107.75
April 1, 1901,	7,349,063.38
June 3, 1901,	7,574,185.69

OFFICERS

J. G. W. Cowles, President; H. A. Sherwin, H. A. Garfield, Amos B. McNairy, Vice-Presidents; F. G. Tillotson, Secretary and Treasurer; C. W. Pasch, Assistant Secretary and Treasurer; J. M. Henderson, Trust Officer; J. R. Wayne, Cashier; W. O. McClure, Manager Safe Deposit Dep.

TRUSTEES

F. L. Allen, Fayette Brown, J. G. W. Cowles, J. D. Cox, H. A. Garfield, W. N. Gates, M. S. Greenough, R. A. Harman, Geo. W. Kinney, Herbert M. Bode, Amos B. McNairy, Samuel Mather, Charles L. Pack, W. D. Rees, H. A. Sherwin.

TRUST COMMITTEE

J. M. Henderson, H. A. Garfield, W. R. Warner, W. W. Boyton, M. R. Dickey.

The Cleveland Trust Company pays four per cent. interest on all savings deposits from $1.00 to $10,000.00. It especially welcomes women's accounts and small savings accounts. It pays two per cent. interest upon daily balances of check accounts exceeding $500.00

Garfield Building, 121 Euclid Avenue, Cleveland

THE CLEVELAND TRUST COMPANY

Statement of Condition

At the Beginning of Business on Monday, June 3, 1901

RESOURCES

Reserve The law requires a reserve amounting to 15% of its deposits. Actual cash in our vaults, $198,768.15; Cash in other banks, 761,068.05	$ 959,836.20
Bonds and Stocks All of stable values and easily convertible into cash upon short notice if necessary	3,742,990.86
Demand Loans All secured by first-class collateral and payable on call	2,905,272.33
Total Demand Assets More than the deposits, a good thing for both depositors and shareholders	7,608,099.39
Real Estate Loans All secured by first mortgage on property appraised by expert judges. None made for longer than one year; many of them virtually demand loans	466,907.33
Time Loans Mostly for three months or less; all secured by good collateral	473,899.81
Safe Deposit Vaults Cannot be duplicated at the price, but carried on our books as worth	70,000.00
Furniture and Fixtures Carried as an asset by many banks. Never a good asset; ours charged to Profit and Loss	
Total Resources	$8,618,906.53

LIABILITIES

Deposits Belong to nearly eight thousand people	$7,574,185.69
Taxes Funds reserved for payment of taxes	31,802.04
Actual Liabilities	$7,605,987.73
Capital Stock Fully paid in $500,000.00	
Surplus and Profits $100,000 paid in at the beginning of business, the balance being undivided earnings $512,918.80	
Excess of Assets over Liabilities	1,012,918.80
	$8,618,906.53

FIGURE 18

Compare this style of statement with the average kind (possibly your own), and I will leave it to any man who knows human nature to judge whether this or the common mode is the more likely to attract interest and confidence.

It Will Be Required by Public Opinion

The time is no doubt coming when bank statements, such as the Cleveland Trust Company's, will be required by public opinion, and the layman will exact it as a preliminary to his patronage.

The final quality which arouses and keeps interest is humor—that genial, human, sympathetic treatment of the common things of life that makes us believe today is not so bad a time, here not so bad a place, and tomorrow will be better still.

It brings sunshine and good cheer, a feeling of content and unconscious peace and good will. Do not let any one confound it with horse-play or buffoonery or vulgarity, and we will not have good serious-minded bankers concluding that I have gone far beyond the limit in my iconoclasm.

The element of humor in an advertisement makes it pleasant not austere, attractive rather than cold, and one reads it with twinkling eyes and good feeling, rather than with a frown and possibly reluctant effort.

We read it because we are doing something that agrees with us, rather than because we see in it a duty and advantage.

It impresses us favorably in our humor because it is easy and natural, not forced and heavy.

Compare Figure 20 with the other reproductions and you will notice a difference.

We submit that it out-classes even the excellent advertisements shown elsewhere.

Some Interesting "Copy"

There is in this particular piece of copy the same spirit as is shown in a colder and less genial way in Figures 14, 15 and 16, and it is the quality of headlines which marks all the copy shown in Mr. Sander's talk about the DeKalb Bank advertising.

Mark Twain preached many a sermon in his humorous fancies.

Lincoln will have accomplished more that will be remembered through the genial outlook of his life than will Roosevelt. "David

PEOPLES NATIONAL BANK
TARENTUM, PENNSYLVANIA

Statement made in response to the call of the Comptroller of Currency. Analyzed and explained so as to be easily understood by everybody.

RESOURCES

LOANS AND DISCOUNTS:

DEMAND LOANS—It is a point with us to have a good portion of our loans payable on demand; secured by first-class stocks and bonds, so that if necessary they can be at once converted into cash. Our loans of this nature amount to $156,447.95

TIME LOANS—These loans are secured by first-class stocks, bonds and personal endorsement—as highly regarded in every respect as our demand loans, the only difference being that they are made for specified periods—none, however, longer than four months. Our Time Loans aggregate $182,054.40

RESERVE:

This consists of ready cash which must, according to law, at all times amount to at least 15 per cent of the deposits. Our reserve is made up as follows:

Actual cash in vaults (gold, silver and currency) $20,801.43

Cash deposited in Pittsburg and New York banks, subject to our check 73,289.64

Making a total reserve of over 24 per cent of our deposits, and amounting to $94,091.07

REDEMPTION FUND WITH U. S. TREASURER:

All national banks are required to keep on deposit with the Treasurer of the United States a sum of money equal to 5 per cent of their circulation. This bank has outstanding $50,000.00 of national bank notes (circulation). 5 per cent of this amount, or the amount of our deposit with the U. S. Treasurer, is $2,500.00

Against this deposit is charged all notes of this bank which are returned to the U. S. Treasurer in a mutilated condition—these notes are then destroyed, new notes being issued to the bank after the redemption fund has been reimbursed for the amount charged against it.

BONDS:

Our line comprises U. S. Government bonds and other high-class bonds of staple value, that are easily convertible into cash on short notice, if necessary. Subdivided, they are as follows:

U. S. bonds at par $50,000.00

Other bonds at par 30,000.00

Premium on U. S. bonds, i. e., the amount paid for the bonds in excess of their par value, but which is less than their present market value ... 2,000.00

Total bond account $82,000.00

BANKING HOUSE—FURNITURE AND FIXTURES:

The bank owns the property and building in which its business is conducted. The property has a frontage of 66.52 feet on Fifth Avenue, and 69 feet on Wood Street, and is conservatively carried at $10,000.00

FURNITURE AND FIXTURES:

Included in this item are the Vault Equipment, Steel Safe, Safe Deposit Boxes, and all other fixtures and furnishings of every description $1,500.00

TOTAL RESOURCES:

Our total resources, as shown and explained above, aggregate. $528,593.42

LIABILITIES

DEPOSITS:

Belonging to nearly two thousand people $385,810.33

NATIONAL BANK NOTES OUTSTANDING:

These notes are guaranteed by a deposit with the U. S. Treasurer of $50,000.00 in United States Government bonds $50,000.00

Total actual liabilities $435,810.33

AS NOMINAL LIABILITIES TO BALANCE THE ACCOUNT, WE HAVE

CAPITAL STOCK $50,000.00

SURPLUS AND PROFITS:

Surplus is a certain portion of the earnings set aside for a safeguard. The Government considers a bank sound when its surplus equals one-fifth of its capital. Our surplus fund of $40,000.00 is equal to four-fifths of our capital, and this amount added to undivided profits of $2,783 gives us Surplus and Profits aggregating. $42,783.09

Which added to the Capital Stock makes an excess of Assets over Liabilities of $92,783.09

$528,593.42

Add to this the shareholders liability of $50,000, divided among Tarentum's best business men and women, and the result shows a total of nearly $143,000 between our depositors and any possible loss.

FIGURE 19

BANKING BY MAIL

WITH THIS

THIRTY MILLION DOLLAR BANK

Capital, $2,500,000.00 **4 per cent Interest**
Surplus, $2,500,000.00 **60,000 Depositors**

How to Safeguard Your Savings

Countless gauzy investment schemes are constantly being devised to relieve people of their money—vast millions are taken in this way every year—many offer no possible return of the principal, to say nothing of earnings. The credulity of the more or less thrifty people is amazing. Fortunes are not made over night. The legitimate earning power of money is as fixed as the laws of the Medes and Persians. Frauds are seldom exposed, because the victims wish to escape the limelight of publicity.

4 per cent compound interest has earned more millions than speculation. At this rate, money doubles itself in seventeen years and eight months—$1,000.00 becomes $2,000.00 with no effort on your part, and your money is absolutely safe at all times.

Cleveland is a center of great commercial activity, with 3,200 manufacturing plants, producing over 125,000 articles of commerce. It is the largest ship-building port in the world, excepting only the Clyde, in Scotland—the largest iron and coal center in the country, to say nothing of the shipping interests of the Great Lakes. Her savings banks are among the strongest, safest and most conservatively managed in the world. Four per cent compound interest has been paid on savings continuously for upwards of sixty-five years, during which time these banks, in addition to paying goodly dividends, have built up an immense surplus which, together with the large capital invested, makes them an absolutely safe place for savings.

The Cleveland Trust Company has sixty thousand depositors, over Thirty Million Assets, and a Capital and Surplus of Five Million Dollars. It is for you to consider well whether your money as now invested is earning as much interest, is invested as safely, and placed as conveniently as it would be in this Thirty-Million-Dollar Bank.

At least do yourself the justice to send for our Booklet "F" and look into the details of our Banking-by-Mail plan

THE CLEVELAND TRUST COMPANY
(SAVINGS BANK)
CLEVELAND, OHIO

FIGURE 20

Harum" became a national character because humor makes brothers of us all, for quoting that couplet,

> "Laugh and the world laughs with you;
> Weep and you weep alone."

We have but to substitute "be serious" for "weep," and while we destroy the rhythm, we get the application.

The Danger of Humorous Attempts

I shall but incidentally remark that the only thing to remember is, the same warning that was given in the discussion of a picture as a method of gaining attention, do not make use of the joke or the humorous allusion without it is pat and to the point.

No humor is humorous unless it belongs to a normal contemplation of the subject. It must not be strained, or you will have people laughing *at* you and not *with* you.

In this distinction lies the whole use of humor, as an interest maker and holder.

CHAPTER VI

ESSENTIALS OF GOOD ADVERTISING: CREATING THE CONVICTION

CONVICTION THE ABSOLUTE ESSENTIAL OF SUCCESSFUL WORK—ROUSING TO ACTION—THE MAN WHO DESPISES THEORIES—PRACTICAL MEN AND THEIR ANSWER TO THE THEORY OF ADVERTISING—NO MAN CAN ESCAPE THE NECESSITY OF THINKING OR DOING SOMETHING—ADVERTISING MUCH LIKE ORATORY—YOU MUST DEMONSTRATE TO THE MOST OPEN-MINDED MEN—THE RECEPTIVE STATE OF MIND—THE OVER-NICE USE OF WORDS—WEBSTER'S AND CHOATE'S STYLE COMPARED—THE LURE OF PRICE—STARTING AT THE RIGHT POINT OF CONTACT—THE POWER OF FIGURATIVE SPEECH—PEOPLE NOT NATURALLY ATTENTIVE—THE FALSE QUANTITY OF NUMBERS—ILLUSTRATION OF APPERCEPTION—PEOPLE DO NOT WANT NEW IDEAS—MERE EGOTISM OF EXPRESSION—THE FAILURE OF THE FUNNY MAN IN ADVERTISING—"EXAGGERATION" BY HENRY C. SELFRIDGE, FORMERLY OF MARSHALL FIELD & CO.—SNAP AND VIGOR—AFFIRMATION FREQUENTLY REPEATED—STRENGTH OF CATCH LINE—USING THE NEWS OF THE HOUR—FORCING THE POSSIBLE BUYER TO SIGN—PROF. JAMES ON THE "SOURCE OF ACTION"—MAKING PEOPLE INQUIRE FOR OTHER ADVERTISEMENTS

AS ADVERTISING that gets the attention and awakens the interest has done much towards the creation of an expanded state of mind, which is all that advertising can do of and by itself, yet there is something else that it must do.

Now it Must Convince

It must convince the reader of the reasonableness and correctness of its claims and arguments—it must make him consciously assent to its logic and conclusions.

Here you will see at once, is where we sweep aside the item of mere publicity.

Publicity fails right here.

It can only hope to attract the attention and hold a momentary interest.

It does not arouse to action because it does not take time to produce the conscious assent; it cannot, as it does not, attempt to persuade.

Right here, before I go farther into the discussion of a subject that must necessarily be somewhat theoretic and scientific, I want to digress a moment to meet again the objections of some who may demur to the introduction of the psychological attitude in this discussion.

Some business men affect to despise theories and with considerable gusto deride and decry theorists. To the superficial mind which depends on "intuition," or the inspiration furnished by other men's success, and whose code of work is a book of ready-made advertisements, anything that smacks of theory is synonymous with the impractical.

The mass of the public does not reason. It simply acts on apparent relationship. It says, "Mining has been profitable, here is a mining company, it should be profitable."

The majority of men do not reason.

They accept the apparent judgment of the majority and are content.

Will "Practical" Men Admit It?

Most "practical" men will probably admit that "attention is purely a mental state. We cannot see it, or feel it, or smell it, or taste it, or hear it—it is an abstraction. Almost all will concede that it is necessary to get attention before the best written message can hope to accomplish whatever result.

If it is a state of mentality, then let us find what governs it and how we may use it when we get it.

We find, on appeal to our experience, that certain facts are true with respect to attention given by all kinds of minds.

We find that where we do certain things we are attracted or repelled.

Let us abide by so much and not quarrel with a man who sets down the rules we unconsciously obey, when we prepare an attractive and interesting advertisement.

The same reasoning may be applied to "interest," as a requirement of successful advertising; and even with greater force, because more a matter of conscious every-day experience with "Conviction," which we are about to discuss.

This very theory you are now reading must inevitably change your methods, your ideas, your attitude towards your advertising. You may confirm the methods you have already used.

You may stop here, and say you have no patience with the theories of the writer, but you will be doing what I say you must do; i. e., be influenced by the words you are reading here.

You Cannot Escape the Power

Not to do a thing is just as much an action as to do it, hence you cannot escape the power of anything you read.

Yet, that you read these lines is the sole aim and purpose of this book, because the application of what is said here must be left to your judgment, education and initiative.

In producing conscious assent with our conclusion—in persuading and convincing our possible customer, we must prepare ourselves with a full knowledge of the kind of a man he is.

In writing for local advertising in a city or town, we have a public which we must study and meet face to face in its entirety. We cannot pick and choose individuals or class from it, as we can when we go farther afield.

In the local arena we know what sort of people we have to deal with, probably know them individually, and we must prepare our advertising to meet prevailing conditions.

The Difficulties Become Greater

In a large local field, or in the nation, we can set out to appeal to a certain class and mold our advertising by a knowledge of what that class is.

The main thing is to have, as I have said before, a certain, particular class or type of individuals clearly in mind when we prepare our advertising.

In the matter of creating conviction, advertising is much like oratory.

Oratory must be interesting and inform, entertain and persuade. Oratory always has a definite aim and purpose—something to be accomplished, and so in advertising—we desire to instruct and persuade to action.

Like an oration the advertisement must obtain immediate results in the way of conviction. While it makes an impression, which is added to previous impressions made by prior advertisements, it is, further, its aim, as it is of each advertisement, to arouse the reader to some definite action, to persuade him to do a certain, specified thing.

If the advertisement fails in this, it fails to realize the greatest purpose of its being.

The Purpose

This purpose may be to send money to the bank to open an account; or to sign a coupon asking for a booklet, or it may be the writing of a letter asking for further information. Every advertisement should be capable of obtaining some conscious action on the part of the reader, if nothing more than to be convinced.

Get a man to act at once.

Force the Action

You may demonstrate to the most open-minded man the absolute correctness of your contention. Go back to him in a few days and he will give you all his old stock arguments over again. He is under the influence of ideas fixed in his mental makeup by previous education, conclusion and experience. He will say "yes" today, but revert to his old conclusions as soon as your presence, argument and persuasion are removed.

It behooves you then to get action at once, or to settle down to a long siege of argument, iterating and reiterating a single thought as a dominant note through all.

Every man who reads advertising unconsciously has the attitude of one who walks along a street looking in shop windows, or strolls through a store examining goods.

As a Man Wanders Through the Market-Place

He is constantly asking himself, "Should I have this?" "Should I send for this?" "Will I profit by this?"

He knows he is in the market place.

He feels and knows he is among the sellers of things, that there is a constant and persistent call on his buying instinct. Trained to business, to the idea that buying or selling is one of the greatest of callings, and often by the fact that as a seller he must know how selling success is obtained, he is looking for sales-making thoughts, selling ideas, selling plans, suggestions.

In this state of mind, more receptive than usual, the man examines the advertising pages of a publication, to be won or lost by the power of an appeal.

The power of an appeal depends on many mental conditions, and then on characteristic mental attitudes of a class and lastly on individual experience. These have been spoken of in the preceding chapters.

In this part of an advertisement the wording, the "copy," has almost all to do.

"Smooth" Words Insufficient

The wording must be something more than the stringing together of a number of smoothly sounding words and phrases.

We do not want pedantic language—the over-nice use of extra-exact words, many of which lie outside the range of training and education of the people to whom we are talking.

We don't need a large vocabulary, just the plain words of the people, and we must not be afraid of using an occasional slang term, not vulgarisms, however, that would offend a sensitive ear.

Better be understood than correct, is a good rule.

Webster and Choate Compared

Webster had a smaller vocabulary than Rufus Choate, yet Webster persuaded, while Choate blinded and dazzled.

Men were conscious of Choate's wonderful style of expression; with Webster they were conscious only of the fact that he had convinced them beyond doubt—that there was nothing left to say.

There must be an apparent appeal to reason, for, after all, man thinks he is a reasoning animal.

We generally think of a thing as a whole before we reason about it. We think of the idea of saving money as a general proposition. We must be started to think of the idea of our saving money; we must be persuaded to think of the general proposition in a favorable light as it relates to ourselves. If we become interested sufficiently, then we commence to break the idea up into several parts.

Ask Yourself These Questions

"Have we any money to save?"

"How much could we save each week?"

"Would it be convenient to go to bank each week, if not, whom could we send?"

"Couldn't we save it in our own box, instead of taking it to bank?"

"Is three per cent. enough to worry about?"

"Is it worth while to deprive ourselves of good times just to put something aside for some one else to spend?"

"Are we likely to need that now? Why not commence to save by and by?"

You see when we think over the question of saving, which the advertisement has started in our minds, we come close home.

Whenever an advertisement is written it should be carefully decided what train of thought it inevitably must start in the reader's mind. We must be able to accurately divine that and plan and mold it to that end.

We ask ourselves these questions and reason out the reply to them more or less automatically, dependent on whether or not we are on strange ground.

Answering the question, "How much could I save each week?" I may reason: "Well, I get $20 a week, it takes $7 for my board and room, $5 for lunches down town and car-fare, $5 for clothes and enjoyment and I have $3 left. I can put that in the bank and save a good part of it."

The Impulse We Obey

As most men act from impulse, to appeal to their reason strengthens the advertising, provided you do not forget the appeal to feeling.

While they may act out of curiosity, to give a guide to reason is not to interfere with curiosity.

The appeal to reason does not mean a long-winded, closely knit, logical argument, bald, stripped of heart and sentiment, but it means so to word and arrange the points of your talk as will enable the reader to find an easy and acceptable progress from thought to thought to your conclusion.

Why don't all people reason equally well? Because there are many different minds with many different *starting points.* After they are started all minds proceed along certain well-defined lines, but not to the same conclusions.

Different men have different experiences, both in kind and degree and the knowledge they have.

Before We Reason on Anything

Before a man can reason he must have a starting point.

The man who "jumps at conclusions" is a quick and superficial thinker and utterly "at sea" with a subject or object with which he is unfamiliar. The careful, logical reasoner will take unfamiliar subjects or objects and mentally tearing them apart, infer what they are or what their purposes.

On this basis we must always assume that our reader is a reasoner and suggest a line of thought that will inevitably lead him to the conclusion we desire.

If we start at the right point of contact and urge demonstrable claims, the superficial thinker, through mental inertia, will naturally follow us, as will the careful man who slowly scans and digests our propositions.

This difference, you will understand, between the conclusions of different men, is not due to difference of processes by which they arrive at their conclusions, but to differences of starting point and mental experience.

Figures of speech have a tremendous power over the mind of the masses as do comparisons and analogies, because most of us reason by analogy.

The Power of Figurative Speech

Let any man who doubts the power of figurative speech read the book of Jeremiah and the book of Job in the Bible.

We must translate all abstract ideas into concrete thoughts or illustrations before most of us can accept or reject them; we must find some relation between the new thing or idea and some of our old experiences or ideas, before we can really understand what the new thing is.

For this reason, for instance, the word "bank" has no meaning to an Esquimau, who has neither money nor knowledge of banks.

This ignorance of banking in its relation to society, even of the very simplest forms of its usefulness, is little understood by bankers. Having no conception of this ignorance they fail to get down to the plane of the customer who reads their advertising. The consequence is that their advertising leaves the customer unconvinced that it means anything to him, or that it really touches his life and interests.

We Pay Very Little Attention

People are not naturally attentive to countless specific things. Their attention must be called to them, for if not inattentive they are attentive at the wrong place. Their attention must be guided to the right place.

When you talk about $25,000.00 in an advertisement it means something to all people, but widely different things.

An old farmer was heard to say: "Say, Mary, the new bank has $25,000 capital. I did some figuring and it has as much money as it would take to buy eight farms like ours."

In another case where one hundred people were asked to give their idea of how much space $1,000,000 in twenty-dollar gold pieces would take, some said, "a dress suit case;" another, "a trunk;" another, "a box car," and being asked if any one of them could carry it, forty-two said "yes," while the others showed a most vague idea of the strength requisite for the performance of such a feat.

This is mentioned to show how careful we must be in the introduction of figures of speech and quantity, because no sums that are meaningless should be depended on to make a definite impression.

When we speak of 60,000 depositors it would mean more if we compared that to the total population of certain familiar small towns, or spoke of it as one-half the population of our own city. Show how many train loads of people it would make; how many houses it would require to house them in families of five and so on.

Again we are hunting the point of contact, you see!

The process of taking up new ideas and uniting them with what we have on hand is called apperception.

What is Apperception?

The familiar illustration of apperception is the orange on a table. By sight we get the color and shape, by smell the odor, by taste its sweetness, by touch its smoothness and rotundity—but there are other things having all these qualities—as an apple. As each of the senses has made its record, something else happens; the combination of all these things and the findings in our experience of an appropriate name—which we think is "orange."*

So the man who reads a bank advertisement is constantly calling on his previous experience for confirmation of the claims and arguments, hence we can see why it is good to reason by analogy, because we make use of the man's previous experience to prove our claims and arguments. If you gain this faith the reader adopts new things because you have been found true in the old.

A child will believe that his father can jump over a hedge if he has seen him vault a fence.

People do not want high moralities.

High Moralities Have Little Place

They want human talk—do not get on too high a moral plane of superior honesty or you will leave them behind you, which tires and bores and sometimes arouses resentment.

People do not want entirely new ideas, new emotions, new contrivances, they want to add to, not to subtract from, what they already possess. Their old ideas are most comfortable and they know where they lead to. It is because of that principle that business men are slow to

*J. M. Baldwin, "The Story of the Mind."

take up new things. Once convince them of their utility and set the sense of saving against the inertia of good enough, and you will get action.

Don't Write Down

In the attempt to prepare copy from the standpoint of the reader there is a danger of an attitude of writing down to him.

Everybody understands good, plain English, therefore you don't have to write school-boy, kindergarten sentences, or adopt an infantile mental bearing towards your subject.

For instance, here is a verbatim copy of an advertisement taken from a newspaper and afterwards copied into an advertising publication as an example of good bank advertising:

> "Finding money is not to be depended upon. If you spend all you earn, what are you going to do when sickness, accident or lack of employment causes extra expenses or stops the income? You can't pick up money to meet such emergencies. Put part of your earnings in a savings account, where it will be waiting for you and drawing four per cent. interest in the ....."

What Point is There?

What argument is there in that advertisement to attract, interest and convince. The opening line is so trite and absolutely obvious that the average man will pass it by. The writer apparently tried to make a clever headline—make it epigrammatic and terse, but there can be no force in a line that has no originality of thought.

Be careful of mere egotism of expression, otherwise the reader is lost in thinking of you, instead of himself as doing what you want him to do.

Try to make your talk so simple and well joined that the reader is not conscious of either how you tell it or who is saying it.

You have a point to make—keep your mind on that, and push it home as if you had that alone in mind, and felt so serious a purpose in making him see it that you could not do anything else but talk it to him.

The funny man cannot convince a man that saving is the thing to do, or your bank is the best bank to give his business to. The funny man's mind is always in the wrong place; his attention is not on the subject. He is looking for new things, new points of view, odd ways of looking at the subject in hand.

Banking is not a Joke to Anyone

The matter of banking can never be a joke, or the butt of a joke.

Men resent such treatment of the question.

The funny man is just funny, without that kind of humor which stirs the deeper sensibilities of one's heart.

I do not remember a single case where funny or witty advertising ever created a demand for an article of enough importance to merit mention.

Funny Things of no Importance

Persuasion cannot follow on exaggeration because people soon run up against a statement that sounds out of reason, and they stop to discount it, and then you are lost. Even if you gain the man who does not know, and he afterwards has cause to doubt you, you have lost. Lying or exaggeration simply does not pay as a matter of business, and there is little faith possible when a banker stoops to exaggeration and deceit in his advertising.

On this one phrase of exaggeration I wish to quote one of the most prominent young merchants of Chicago, Mr. Henry G. Selfridge, former manager of the retail store of Marshall Field & Company of Chicago:

Evils of Exaggeration

Exaggeration in advertising acts like morphine. The first small dose exhilarates and gives pleasing results. It is repeated, but it is found that a little larger dose is required. The next time a still larger dose is required, until finally the limit is reached—no more morphine can be used. No further exaggeration can be thought of, and the edge is off; the morphine victim is a wreck, and the merchant's customers have grown to entirely disbelieve, and many businesses, as you gentlemen so well know, have, through this cause, become wrecks and failures —victims of dishonest advertising.

Advertising, too, may be likened to paint. Paint may cover a good article and add to its beauty, may attract attention to the article, and may assist in its sale. Advertising, also, may attract attention to a good article and assist in its sale. Paint may be used to cover a worthless article and by its attractive appearance cause this article's sale, but paint wears off, and the weakness which the paint covers becomes evident to the purchaser. The customer did not buy only the paint, but a supposedly sterling article underneath the paint. He was fooled, and if he is wise he will remember the article and the one who fooled him, and let both alone in the future.

So the advertisement causes the sale of a worthless article and by its attractive statements the purchaser thinks he is getting more than he is. As the paint wears off, so the effect of the advertisement wears off, and the purchaser finds himself fooled. The Indians say, "If the white man fool Indian once, shame on white man; if he fool Indian twice, shame on Indian." Every advertisement which misleads marks down to a certain extent the value of the advertiser's statements. It should be the effort of the advertiser to place his statements way above par. It is wiser. It is more economical. It builds for the future.

Honesty is in advertising what strength is in steel. It is like the bone, the substance of the matter. It gives character to itself and to him who issues it. It gives dignity. It is like the root of the tree. That tree whose roots are poor cannot survive. That advertising which has not honesty as its root cannot win lasting advantage for its master. No great institution, no great principle, no great thing ever continued to live long if built upon a foundation which was other than honest. Advertising, one of the great factors in today's commercial life, is richer in wealth, greater in character and dignity, nearer everlasting in its accomplishment if made dependent first of all upon that unshakable foundation-rock—ABSOLUTE HONESTY.

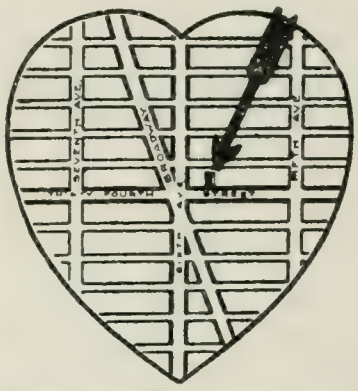
Established 1857.

AETNA NATIONAL BANK

The Largest National Bank in Connecticut and the Only One in Hartford on "The Honor Roll of 1907."

FIGURE 1

In the Heart of New York



THE most convenient bank in New York is situated in the very heart of the new shopping district.

The New Netherland Bank at 41 West Thirty-Fourth Street is a commercial bank in the truest sense of the word conducted by business men on sound, efficient business principles, for men and women who like to do business in a business way.

You will find it a distinct advantage to secure the better facilities, better service and liberal treatment which characterize this progressive bank.

Interest allowed on deposits.

New Netherland Bank

41 West 34th Street, near Broadway

FIGURE 2

Capital $750.000 Surplus $150.000

The National Bank of Commerce of Detroit.

Deposits on the 93rd business day were....$1,530,603.80
Loans on the same day amounted to..... 1,494,668,21

Reserve on the 93rd day of business was $449,685.01 in cash and in reserve banks, being 29½% instead of 25%, as required by law, or $143,713.21 in excess of legal requirements.

In addition to the reserve this bank has deposits with other than reserve banks amounting to $229,009.95, which is immediately available.

May we be entrusted with your business?

RICHARD P. JOY, President. HENRY H. SANGER, Cashier.
WM. P. HAMILTON, Vice Pres. CHAS R. TALBOT, Ass't Cashier.

FIGURE 3

To persuade, advertising must have a snap and vigor.

Cut out the long sentences.

Cut out the meaningless phrases and adjectives.

Silly Question Producers

In making the English crisp and pointed you must try to think crisply and pointedly. Never start to write an advertisement until you have clearly defined in your mind what you intend to say. Figure 1 is an example of an advertisement which fails to convince, because it has an ambiguous phrase at the end. What did "The Honor Roll of 1907" mean? If it was something purely local it would have done no harm to have told it just the same. It may have been a silly attempt to "make people ask questions," but it reflects on the advertiser and not the foolish questioner.

The skillful use of an illustration to bring out the value of a bank's position and give convincing proof of the claim to being in the "Heart of New York," is shown in Figure 2.

The growth of a new bank is always interesting and suggestive. In Figure 3 we show one of a series of advertisements running every day of the month for several months after the opening. The growth was reflected in figures, but the constant iteration of the fact that the bank was carrying a larger reserve than was absolutely necessary or required by law, was calculated to breed confidence in the management.

Analysis

Under this subject of conviction we must include repetition of the advertising. The reason is purely scientific.

The value of repetition cannot be overestimated and especially the repetition of a simple affirmation. Look at the Mohammedan's "Allah is Great, and Mohammed is his Prophet," an affirmation that has been repeated endlessly for hundreds of years. It would require more than syllogistic reasoning to remove it.

To change the phrasing of the affirmation once started is an error, because it loses force. Napoleon said there was only one figure in rhetoric of serious importance—repetition.

By constant hammering on one idea the mass of the people come to believe it and honor it as a truth that has been accepted.

We create a sentiment, an opinion, and these soon merge into a settled conviction.

An Opinion That Becomes a Conviction

We do many things because we are too lazy to deliberately select a new way of doing them. Constant suggestion will make us do almost anything, so long as a strong counter suggestion sufficient to overcome it is not introduced.

We see

BANK AT THE CITIZENS

on every fence rail, in all the papers; we receive books and letters all repeating the same thing; we must fight the suggestion or bow to it.

We cannot ignore it.

We may not answer it as quickly as if it were, "Let the Gold Dust Twins Do Your Work," because each man requires more prodding before opening a bank account than he does before buying a carton of washing powder.

Repetitions should be more frequent in the city than in the country territory, because in the city competition is more keen, and when you are not talking your competitors are.

Again, you can never tell when that man over there is going to be in a receptive mood to make your advertisement complete and make it produce results. A person may today be ready for one class of suggestions, but tomorrow want an entirely different class.

This is a known scientific fact, therefore the necessity for repetition, so that you may run the greatest chance of getting all men when they are in the mood.

Repetition and Timeliness

Repetition and timeliness make all advertising more effective, and is the reason why poor advertising is sometimes successful.

To illustrate, war with Japan would make the far East an interesting point. A very poor advertisement published at such a time of a book describing Japan and the East, would bring relatively large returns, even larger than a splendid advertisement published when there was no public excitement to aid it.

The repeated advertising always has the opportunity of being present at "the psychological moment," when what it proposes to do meets a latent desire in the reader's mind, and action results.

The coupon in advertising has a scientific reason for its success. It especially appeals to that large class who drift with the tide. The main

thing in such an advertisement (the coupon) is to create the idea and feeling that to send for this booklet is the most natural thing, and that hundreds are doing it—leading up to the coupon.

The Coupon In Getting Action

The coupon is to advertising what the ready order-blank and fountain pen are to the salesman.

The salesman has made his canvass and got his customer past the "no" stage; the arguments are all in, and the moment has come; the salesman slides the order blank under the customer's hand, and with, "Please sign on the line, Mr. Smith," hands him a pen.

The signature goes down, and the customer is glad his mind has been made up for him.

This method wins in hundreds of cases, and in insurance solicitors' training schools it is taught as a part of the education of the prospective agent or salesman.

The coupon is the invitation to "sign here, Mr. Smith," and the customer signs and sends in the coupon, because the advertisement has made it the easiest way of deciding what to do.

The shape of the coupon and its position are important. It should never be anywhere but on the outside corner of the page, because it is easiest to tear off when there, and that is the only reason necessary.

Prof. James, Sources of Action

Professor James, in his masterly analysis of the sources of action, says:

> "The conclusive reason for the decision to do something usually is the discovery that we can refer the case to a class upon which we are accustomed to act unhesitatingly in a stereotyped way. The moment we hit upon a conception which allows us to apply a principle of action which is a fixed and stable part of our Ego, our state of doubt is at an end."

When we are hunting for a good investment, having idle money to put to work, we see bonds advertised at a low price which we know to be a safe and profitable investment, we at once try to get some of those bonds.

In this we see again the value of the knowledge of class and individual peculiarities.

When we have made a man inquire for a booklet, we make him remember it. Even if there should nothing immediately come of it, we have planted a seed for future harvesting. He has that act in his mind and every competitor will aid in recalling our proposition to him.

For that reason it is a good thing to persuade to some kind of an action.

The Power of a Command

Use a command such as:

"Put Your Money in the State Savings."
"Open an Account at the People's."
"Deposit Part of Your Salary Today."
"Deposit a Dollar for the Baby Today."

Such a command should run throughout all your advertising. Not as a headline, but in some part of your newspaper space, on the heads of letters, in folders, on the backs of booklets, in a type that should always be of the same "face" or style of letter.

The command's effectiveness depends on your advertising gaining attention, being interesting and convincing—but it is a great incentive to action, because of the willingness of people to obey and their ever ready acceptance of the call of sentiment.

CHAPTER VII

SUCCESSFUL ADVERTISING; ITS PERSONALITY

THE POWER OF PERSONALITY—THE PERSONALITY OF A CORPORATION—THE PEOPLE BACK OF A VENTURE—BANKING NOT A MECHANICAL PROCESS—POLITICAL CREEDS AND PERSONALITIES—TIMES OF STORM BRING OUT PERSONALITY—PERSONALITY AND "STYLE"—DETERMINING THE STYLE BY THE CHOICE AND ARRANGEMENT OF WORDS—ENTHUSIASM AND ITS MAGNETISM—WHY GOOD MEN FAIL—OUR MISPLACED FAITHS—FALSE IDEALS OF STYLE—THE VULGAR CONVENTIONS—THE EGO IN SUCCESSFUL ADVERTISING—THE FIRST PERSON SINGULAR—HOW WE STRIVE TO EXPRESS OURSELVES—WHY WE ARE STRONGEST WHEN WE DO—THE PUBLIC'S FAITH IN INDIVIDUALS; ITS LACK OF FAITH IN CORPORATIONS—HUMAN NATURE THE KEYNOTE—THE LESSONS TO BE LEARNED FROM 1905 AND 1916—ANALYSIS OF ILLUSTRATIONS

A Chicago Episode of 1905

ONE MORNING in the summer of 1905, an old lady stood before the receiving teller's window in a Chicago bank. She was dressed in a plain, neat, inexpensive garb of the middle class.

As she peered through the lattice work of the cage she said:

"Who are you, young man?"

"I am," and the young man smiled a bit tolerantly, "I am the receiving teller of the Blank National Bank."

"Yes, but what is your name?" and she stopped in her fumbling with the strings of the green silk bag she carried.

"My name, madam, is John Thompson; here is a card showing the names of all officers and principal employees."

The old lady breathed a sigh of relief.

"Thank ye, Mr. Thompson, but I always refuse to do business with people I don't know, and I wanted you to tell me your name so I'd know who you are."

That closed the incident so far as the purpose of this theme goes; that is, to show what great part personality plays in all successful advertising.

The old lady typified the feeling of the world.

We want to know the man, the individual, the personality with whom we are dealing.

I hear the banker say, "Yes, but the bank is a corporation, an aggregation of individuals who represent other individualities and it can have no personality."

Probably he will quote that ancient and moth-eaten jest, a corporation has no soul, as proof conclusive that it has no mind or body.

He will tell me that the whole tendency of the day is away from personality in banking; he will point to the banks that have failed, to Walsh, to Stensland, to Bigelow, to the frenzied financiers of more recent memory, and tell me that the day of bankers like Morse, Thomas, Heinze and such men is over.

What Personality Really is

If he is not a banker in a large sense, and if he is talking for publication, he may say these things. Having finished, I want to take him gently but firmly by the hand, and lead him up on a high mountain, and show him thousands of flourishing *private* banks, hundreds of state banks with the one-man power, trusted and honest; and as many National banks, dominated and controlled in an honest and capable way by individuals.

I will tell him that the day of conducting a bank in the interest of private and corporate stock jobbing and personal greed and gain *is* past: that the day when a man can use a bank as his private strong box, from whose contents he may lift what suits his pleasure, without equivalent, *is* past. But as long as banking is not a purely mechanical process, by which you can start the loaning and receiving of money by a time-clock; as long as the people must have men whom *you* must trust, as long as they employ other men whom *they* must trust, we are going to have personality play a large part in banking, and in the success or failure of bank advertising.

So long as friendship is a part of business, as it is; so long as enmities and misunderstandings are possible, as they are; you will have personalities.

You can reason this statement away to a logical vanishing point, and you will find it there when you turn back to reality, from your journey in the land of Never-Never-Was.

The banker says that his advertising is individualized. He says he has certain men on his board, other banks have other men; that he has a million capital, other banks more or less; that he owns a large bank building, others smaller or larger; his bank has ten million deposits, others less, and so on.

Personality More Than Differences

He has not yet achieved personality, only a few differences.

Most Chinamen look alike to an American, and it is this lack of individuality that makes them an uncanny, mysterious race to most of us.

Yet Chinamen realize individualities and differences. They know a Cantonese coolie from a Manchu, just as we know a cowboy from a New Yorker.

If we were to live among the Chinese we would recognize individualities and trust, honor and have an affection for some of them.

We unconsciously reach out for that personality which lies back of all corporate unities.

Do we not hear a hundred times such questions as,

"The Tenth National!—who is the moving spirit?"

Corporations Must Have Individuality

We can not conceive of an aggregate of individuals without an individuality, without some one personality that represents it.

Uncle Sam is a reality to most of us.

We must believe in some one.

Somewhere in all our beliefs we will find a personality.

Political beliefs soon become a matter of personalities. It is in what Lincoln, McKinley, Roosevelt or Cleveland, did or did not do, that all argument ends in the great political divisions.

The attempt to make corporate bodies impersonal has signally failed. Let any corporation fail to live up to a public standard and it requires an Alexander, a McCurdy, a Rockefeller or a Harriman to stand up and be judged.

A corporation may have no soul and but little heart, but it has a head and a body and it can be reached.

Individuals Do Count

"Individuals do not count," may be a good catchline for a newspaper, but we know individuals do count, and today more than ever. The law has, however, invented well ordered arbitrary names. We do not say "Mr. Harriman," but "The Southern Pacific Company." We do not say "Mr. John Smith," but "The Third National."

In times of storm and stress, the men stand forth, a source of weakness or strength.

This can no more be escaped in banking than it can in any other line of business.

It is fundamentally human, therefore let us recognize it, and make use of it rather than try to hide it, as if our individualities were SOMETHING of which we should be ashamed.

What is personality?

What is Personality?

Shall we not accept the suggestion of one of the philosophers, and say that it is the aggregation of qualities which distinguishes one person from another?

We shall hardly care to quarrel with that definition, because, when applied to our advertising, it comprehends all that we have to offer.

It lets us choose the style of type and arrange it as best suits us, it lets us illustrate our thoughts as we may wish, and above all it permits us to tell our story as we please.

When we have finished our work, it shows people what we are; the kind of taste we have, the mind we have, and the strength of our spirit and hearts and minds.

I see you hesitate to go so far with me—but am I not right?

Why Do We Hesitate?

We may attract the attention by means that would give a totally wrong impression of us. An eminently respectable gentleman may fall from grace at the side of the flowing bowl, when he will say and do things that attract the attention of strangers in a way to forever ruin his reputation with them.

A banker may interest the world in a story that will give it an idea of him that would bring all the dead beats and money sharks in a great city to his bank.

He may convince people that they want to use his bank, bring them with money to deposit, and yet the personality expressed in that appeal may be so far different from that of the real bank, that on closer acquaintance they will leave almost as fast as they come.

Thus we may use all the graces, use all the power of the three cardinal virtues of good advertising, and still not have accomplished a complete success.

The art of our advertising is the reflection of ourselves. As I have pointed out, the science of human nature places limits within which we may develop our personal idea of how these laws should be used to further our personal ends. Hence our art of advertising is our personality expressing itself.

Our experience teaches us something more, that the personality reflected in the choice of a picture, a word, the expression of an idea, attracts or repels, creates confidence or distrust.

How We Judge Men

We judge a man by the clothes he wears, the kind of a picture he admires, the way he talks, his attitude towards the things we love or dislike. All these things constitute his personality in our minds, because they reflect his personal likes and dislikes.

This idea of personality penetrates all our relationship, social business, personal; all we think, do, touch.

The French say, "The style is the man." The public is sensitive to this; it feels that the way a man tells his story so is he.

Apart from the thought itself, the way he conveys it, reveals the real personality, and they like him or reject him on that personality.

As you think, so you are.

As you are, so is your style.

This bank of yours has a personality.

Personality Can Not Be Hidden

It is number 5947 on the records of the Treasury Department at Washington. It has another name but little different from others in the country, but there is, no matter how you may repress all expression of the personality that makes it different from other banks, a personality which can not be hidden.

It is in the minds of the people, created by the chat and gossip of fashionable homes, the tittle-tattle of counting rooms, the anecdotes of clubs, for a man may no more escape an individuality in the minds of his friends, acquaintances and public than he may escape his own sense that he is different from those he knows. An institution, corporation, company, may no more escape the reputation of its officers than a man may escape his shadow.

You can not imagine yourself as Jones, or Jones as you—the you of yourself you know to belong to *you*, and when you die you know there will be no more exactly as you were.

Sounds Involved

That sounds involved. It is, and yet it is true enough to be almost trite.

But where, you say, does all this lead us? To personality in advertising, the final expression by which you are known and by which you must rise or fall.

Personality in advertising may be expressed in innumerable ways—in the choice of type, of the ink or paper, of illustrations, in the way an advertisement is worded. In all but the last the expression is necessarily subtle.

In the last, however, we come to the most powerful and revealing medium through which the individual expresses himself.

A man once said, "Words are things," because they are men's thought-acts. "Words are Things"

Don't forget that. I am not going to try to prove it here, because I have not the space, but remember, when you have put down a sentence you have done something that can not be undone. You have acted, and when those words reach another mind, as these do yours, you have set thoughts in motion you may never overtake, producing a negative or positive effect in that mind, which in turn acts directly or indirectly on other minds, and so on to infinity.

The man of action is always the jealous rival of the man of words. The former, in his heart belittles the latter. It is an ancient quarrel, and it is better that we do not let ourselves be led into a profitless or academic diversion.

Suffice it to say, if the inventor can not sell his invention, the general can not arouse the enthusiasm of his troops, the politician sway the crowd, he fails.

Words, and the images they invoke, have always been the greatest motive power of the world. Words the Motive Power of the World

All great men of action have been able to embody their thoughts in words that reached their followers and their people, and have wielded a greater force because of it. Read Napoleon's manifestoes to his troops.

"I am well aware that not being a literary man, the presumptuous will say that I can not find true expression for the matters of which I desire to treat; they do not know that in my subject experience is a truer guide than the words of others, for experience was the teacher of all great writers, and therefore I will take her as my guide," said a man who made the world stop and look and listen.

"I wish I could write—but I can't properly express myself on paper," you occasionally hear a business man confess, although not so often now as you did fifteen years ago.

Writing clearly and forcefully in his natural self, is all an advertiser needs.

He need not concern himself with the subtleties of vague emotions, the psychology of tones and semitones, but he should cultivate a direct, plain, forceful, sincere expression of exactly what he wants to say.

Given the capacity to express his thoughts—a knowledge of the kind of a man he wants to reach—the advertiser has an excellent basis on which to make successful advertising.

Forget—"How it Sounds"

The first essential is something to say; i. e., a clear, definite, thought in your mind, and then write it out. Forget "how it sounds," but be sure to express your idea.

This sounds simple, but the average advertiser has no clear idea of what he wants to talk about. He wants to be brilliant—forgetting that brilliancy is the worst thing possible for advertising.

Do not be clever.

The cleverest advertiser is the man who hides his cleverness deep down under his heart somewhere and forgets it. He knows cleverness is generally insincere.

We need enthusiasm, which means belief on fire, a keen, crisp, active desire to have a man believe with you.

We know a man may write truth, piling fact on fact, and still leave the reader unconvinced.

Truth Must Have Art of Writer

Truth in itself is not omnipotent; alone, it will not always interest and convince the reader.

It requires the art of the writer.

He must first have the science to know how to delve into the heart of the proposition and gain the facts, and the truth, then he must believe in it, and make it live by making it a part of himself, to create an impression in the reader's mind that it is a part of the belief of a living, aggressive personality.

Be yourself, and be convinced that what you have to say is worth saying and that the world should know it and believe it.

The sentences may not be models of felicitous phrasing but you have something there worth much more, force and directness.

After you get a thought, get the words that will exactly express that thought.

Robert Louis Stevenson, generally considered a master of English prose, learned to write by imitation. He would read a page from an author like Thackeray, Addison, Froude or Swift, then laying the book aside, he would make an abridgement of it in his own words. After a day or two he would, from his abridgement, write the story, episode or passage, in the style as he remembered it, of the original. He would then compare the two, noting carefully just where he was weak.

Robert Louis Stevenson

In this way he learned to express clearly, vigorously and powerfully the thoughts that came to him.

I shall give but a glance to this question of words and grammatical construction.

I know most business men feel nervous about putting themselves on paper, fearing they may not appear to that advantage their position in other things affords them.

Grammar is Secondary to Idea

This fear, as I have said in a previous chapter, is unworthy.

Grammar, as a rule of procedure in composition, must always take a secondary place to the idea and the individuality of its expression. Witness Andrew Jackson's public and private correspondence.

Good English is a term about which today too many well trained technical experts are waging war, for us to fear the consequences of a split infinitive.

Lincoln's classic, the Gettysburg oration, is the enunciation of a man whose schooling came from daily contact with his fellow men, in whose faces he saw mirrored the thoughts and understanding his words evoked.

As Herbert Spencer points out in "Facts and Comments," the college man or school man is rarely a good writer, his style is seldom good because it is seldom his own. Our colleges study models with the result that cant phrases, outworn and rigid, are scattered here and there, and the vehicle of expression is Addison's, more or less cranky and double-jointed, it is true; the meat of ideas alone is the man's own.

Herbert Spencer on "Style"

If we become permeated with our subject—full of it, until it bubbles over and pours out of us on the slightest pretext—we can say a thing to make the world hear and understand it. Our style is likely to be good if

not remarkable. It is the worst possible thing that can happen to an advertiser, when people come to remark how cleverly he puts things, unless the force and cogency of the idea is just as remarkable.

Absurd Catch-Phrases

Yet I have seen advertisers go to the most absurd lengths to invent a catch phrase, anxiously hunting a combination of words that would startle this cynical, blase, foolish old world of ours, when words without sense are as temple bells, sounds without meaning for the unbeliever.

Take it, too, as a truism, that style, considered apart from the thought, never yet *made* a successful advertisement. It has spoiled many. The man who watches his style too closely is likely to become finicky and nasty-nice about the choice of his words.

Nothing weakens advertising more than Nancyfied writing.

Over nicety in phrasing shows a greater anxiety about how it sounds than about what is said.

What is the Perfect Style?

The perfect style is the welding of an idea with its expression so completely that they can not be separated.

That which clearly conveys the idea, which makes it attractive, which makes it interesting, creates a harmony in that inner ear of mental consciousness, where what men tell us is weighed, appraised, and accepted or rejected, on its valuation as a sincere expression of themselves or the truth as we know it.

But these things may not be mastered in their perfection by any study of masters or books. They are innate, as the sense of rhythm, but any man should study words that he may express his thoughts so that logic and wit may find no flaw.

It is the first requisite of any advertising, that we should want to say exactly what we mean and no more, surely not less.

The rest lies with the people who read our copy.

The main thing is, do not talk like a copybook, but like yourself, as yourself, and let the grammar take care of itself.

The Art of Self-Expression

There is in the art of self-expression something which can not be taught, as words can be defined, or grammatical rules laid down in the dry-as-dust language of pedantic minds.

That something is more precious, more potent, more to be sought than things merely conventional—it is the power to express the "I"

in you, which embodies and reflects your knowledge of men, of banking and of the world of business.

Leave the rest to the bookmen.

What it Involves

It is right here that we must understand what advertising individuality involves. It is the duty of the advertising individuality not to advertise banking in general, but one bank in particular.

How?

By making yourself—the "I" in you—a part of that advertisement so completely, that your individuality shall go with and become an invisible part of it.

Why should all advertising be different? How much more comfortable and satisfactory it would be if we could arrange all our advertising in exactly the same way. Suppose every space was the same size, all the displays were the same, and all the advertisements were written by the same hand, in the same way.

It would be unprofitable, because it would not meet human nature.

We like individuals—not people.

We are attracted by individuals, not by the mass, because we can understand only what we are.

Not All of What We Have Read or Observed

We read and study and observe, yet we know our thoughts are not *all* of what we have read or observed. We may copy and adapt, yet the "I" in us will creep out to mar or improve the result. According to our capacity we accept or reject, absorb or imitate, what we can from our environment, experience and the people we have met and those we know.

As the mere physical attributes of an advertisement are not the most powerful forces for characterizing it in the mind of the man or woman, so we do not think of Jones as a lump of flesh taking up twenty-one cubic feet of air space, but we think of his characteristics, by which he is individualized in our mind.

We think of something he does, or we have a sensation of pleasure, pain, distrust, anger, cold hatred, or disgust, when a man's name is spoken.

Think of two men, and while you may see a smiling or a frowning face, yet it is the individual, personal characteristics that immediately arise in your mind.

How We Think of People

We think of certain classes of people in the same way.

As I think of the bank clerk, I see him at the work with which I have associated him. I see him in a score of ways—aided and abetted by my experience, stories I have read or heard, and the pictures I have seen in magazines and newspapers.

In many of these ways I have not seen him in the body, but they are just as vivid and real to me as those I have talked and walked with, and I probably personify in my sensations.

When I think of bankers, I think of those I have met, their advertising as it has appeared in newspapers and magazines, what I have read of them, all goes into the alembic of my mind, from which comes a class individuality more or less defined, according as my experience and familiarity have been intimate or superficial.

We create from the stored up memory-data, furnished by our senses, the personality which our friends and acquaintances enjoy in our minds.

As each advertiser therefore, reflects accurately in his advertising his true personality to the world at large, he is understood or misunderstood, rightly or wrongly appraised, according to his power to make the crowd understand and believe, and his capacity is high or low.

We can not *see* ourselves as others *see* us: we feel ourselves, know ourselves, to be different from what we feel others to be.

Idea of Self a Matter of Feeling

Our idea of self is a matter of feeling.

We can therefore put more feeling and emotion and persuasion into a plea in our own person than we can into a plea through a fictitious and nebulous personality.

Probably we will admit the truth of these things as relating to ourselves.

They are true of others.

Let us now treat the matter of personality in an objective sense.

We must understand where our personality meets the personality of the possible buyer.

As we want to meet the people with whom we do business face to face, so to speak, so we must be known in our own personality.

The "I" in us reaches out to the "I" in the other man.

I want to *know* him. I do not want to know his class, I do not want to know bankers, save that particular banker who is to keep *my* money.

The Letter "I" Means Some One Man

It is the old lady who wanted to know the teller's name.

"I love," "I hate," "I abhor," awakens a more concrete, definite feeling when spoken or written by a person known, than when expressed by a nebulous editorial "we"—"we love," "we hate," etc.

The letter "I," itself is personal—a straight, perpendicular letter recognizable anywhere in a page, and the only letter in the alphabet used alone and in full cap, with a single exception.*

It attracts the eye on any page.

The man who uses it stands out defined and concrete, repelled or attracted, and we think we know him better because of it.

It is emotional, because the letter stands for our emotional selves.

The editorial "we" is impersonal and cold, if not repellent.

No publication has ever arrived anywhere, been anything, done much, until that editorial "we" had been transposed in the public mind into some personality.

When Dana was the "we" of the "New York Sun," it enjoyed its greatest influence; the same can be said of Greeley when he was the "we" of the "New York Tribune," and now Hearst or Brisbane is thought of when one reads the editorials in the former's dailies.

We feel when a man talks to us in his own avowed personality—and we are attracted or repelled as his personality agrees or disagrees with us—just as we are attracted or repelled in our daily lives by other personalities we meet.

Goethe's "Tasso"

We are interested in the personality of others because by them we are revealed to ourselves, for as Goethe says in his "Tasso:"

> "Only in man does man know himself:
> Life alone teaches each one what he is."

We can not understand others save as we understand ourselves.

So the president who signed with his name in fac simile, an advertisement of a life insurance company,† in which was used the plural

*The interjection O.
†See Figure 1.

THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES

New York, March 1, 1907.

To the Policyholders and Agents of the Equitable Society:

Life insurance has passed through another year of agitation. The volume of business in 1906 was diminished. Notwithstanding this, much has been accomplished that is exceedingly gratifying.

The total assets of the Society on January 1, 1906, were $420,176,214.84, and on January 1, 1907, aggregated $434,582,375.13.

The payments to policyholders during 1906 were $44,591,942.58. Of this sum $7,289,734.91 was paid in dividends to policyholders.

In 1904 the policyholders received 70.4% out of every dollar disbursed by the Society to 29.6% used for expenses and taxes; in 1905 they received 74.65% to 25.35% paid out for all other purposes; and in 1906 out of every dollar of disbursements 80% went to policyholders while only 20% was expended for the conduct of the business. This was a reduction of about one-third in the expense of administration to total disbursements. Still further improvement along this line will be the endeavor.

The ratio of expense to premium income was 24.43% in 1904 and 22.60% in 1905; this was reduced to 19.34% in 1906, a decrease in ratio of 20.8% from 1904 and 14% from 1905.

The ratio of the Society's total expenses to its total income was 19.42% in 1904 and 17.38% in 1905; this was reduced to 14.48% in 1906, a saving of 27.4% from 1904 and 20.6% better than 1905.

The Society loaned during 1906 to its policyholders on their policies $17,969,165.76. The loans made on Real Estate Mortgages amounted to $14,542,412.50. On Bonds in which the Society may legally invest it loaned $13,350,000, the market value of the collateral being at all times 20% in excess of the loans.

The income of the Society from its interest and rents was $1,909,373.39 greater in 1906 than in 1905. The average rate of interest yielded by the Society's investments which amounted to 3.90% in 1904, was 4.03% in 1905 and 4.26% in 1906. This increase in income from investments has been accomplished without the sacrifice of a single point of safety.

The Equitable Society has never, since its existence, been in better financial condition than at the present time. Its assets were never more securely invested. With a surplus, including amounts held awaiting apportionment upon deferred dividend policies, of $68,720,332.74, policyholders and prospective patrons of the Society can be absolutely assured of its impregnable financial strength to make every contract good.

Messrs. Haskins & Sells, Certified Public Accountants, have verified the Society's statement of receipts and disbursements for the year 1906 and have certified the financial condition of the Society as of December 31, 1906. A copy of their report will be mailed upon request to any one interested.

The Society is complying squarely with the spirit and the letter of the new insurance laws of the State of New York, and offers to the insuring public the new Standard policies prescribed by these laws, safeguarded by unquestioned security and backed by a determination on the part of its Directors and Officers to so manage the Equitable Life Assurance Society that it will continue to commend itself to present policyholders and command the patronage of insurance buyers.

Alex Morton

President.

FIGURE 1

pronoun "we," has instinctively retained most of the merits of the first person singular while observing an antique tradition.

The reader can not personify a bank or corporation as quickly as he can attach the bank or corporation to a person.

Every man stands for something or nothing, in the public mind.

The public can not grasp an abstraction in the matter of personality.

Public Wants No Impersonal Abstractions

As each man thinks of himself, as you think of me as an individuality, so it is easiest to think of a bank as a personality when some individual stands for and reflects the practice and principles of the institution.

The Standard Oil Company in the popular mind is John D. Rockefeller, although Mr. Rockefeller may not, as he says, have had anything to do with its active management for years.

To all intents and purposes the government at Washington, in the public mind, is the President.

You do not think of me as a man five feet, eleven inches in height, weighing one hundred and ninety pounds, with light hair and grey eyes, but as a man with a certain knowledge or ignorance of sane advertising, according as you agree or disagree with what you read here.

My personality in your mind is a group of ideas, impressions, which is dependent on your experience and education, for it's vividness and definition.

In thinking of me you may have a distinct image of my personality, which may be younger or older, smaller or larger, with black instead of light hair, brown instead of gray eyes.

If, however, we trace that image back, we will find it associated with a similar group of characteristics in a person whom you have known or seen or read about, who had the physical appearance you have given me.

So the "I" in you speaks to the "I" in me, in a more understandable tongue, a clearer note of appeal than if either hid behind the "we" that neither could as readily grasp and personify.

The Qualities of Individuality

The qualities of individuality as we see them here, must suggest the qualities of leadership, and that savors in turn of manliness and power, of feeling and emotions, of strength and tenderness, and above all, of sincerity.

The Leader Must Be Sincere

The leader can not be less sincere than his followers; he must be affirmative, he must lead forward and onward.

So the leader attracts, interests, persuades and moves onward to action and results.

The successful advertiser does the same.

We see this, all the greatest advertisers have been leaders of men, and vice versa.

The successful advertiser always has personality because he must whole-heartedly believe in himself and his own.

"This leadership," as another has well said, "takes place through the communication of ideas to the minds of others, and unless the ideas so presented are congenial to those other minds, they will evidently be rejected."

We Want Definite Advertising

We make definite men our leaders, as we want definite advertising.

Don't let Goethe's sentiment, "Where there is no mystery there is no power," mislead you. Some advertisers, with fell purpose, have made their advertising murky, indefinite, hazy—"to arouse the curiosity," they claim.

There is an attraction in a fascinatingly interesting puzzle, but certainly not in the wordy rebus that can lay no hold on the self-interest long enough to be read.

The mystery is not in *what* the advertiser is talking about, but it is in the puzzling, subtle, unfathomable secret of his magnetic power over us.

When I urge the use of the first person singular, you think, "Vulgar, egotistic."

Against the cry of egotism and vulgarity it is difficult to contend, especially with those minds that seize upon a generality and shut their eyes and ears and minds to all contrary suggestion.

The Egotism of Conscious Power

The egotism which is conscious of power over others, and has a luminous insight into the clandestine powers and thoughts of others—that fearlessly and pungently expresses this power and insight—will escape the criticism of the world at large.

Simplicity is surety and directness, but it may be none the less personal, an expression of the ego, in fact, it must be.

If we properly estimate our relation to the world, and the world understands us, we are not weak but powerful, not vain but masterful, not silly but strong.

Our Relation With the World

We may not assume a personality as a mask at a ball, for we are soon found out and made to appear absurd.

The weak, unstable individuality trying to act the part of a strong man, is inevitably doomed to ignominious defeat, because the world despises a pretender.

The man who uses "I" in his talks with the public has less temptation to do this, to put himself in a position where he is likely to appear a fool, because he is expressing himself.

The personality of all great leaders has been the most masterful of their attractions; the expression of their hearts and souls have won their followers to an unselfish devotion.

The Lessons of Great Leaders

Alexander the Great refused water when his soldiers were thirsty. Hannibal suffered with his men, and was himself a man unafraid of self-expression. He never had a mutiny. Caesar loved his Tenth Legion as they loved him. Turenne was "our father" to his soldiers; Marlborough, "Corporal John;" Napoleon, "Little Corporal;" Sheridan was "Little Phil," the diminutive expressing that affection which his simplicity evoked in the hearts of the men whom he understood and who understood him.

In all, the ego of these men was the masterful essence of their magnetism and the confidence they called forth.

Egotism is not ignoble save as it serves ignoble ends, in which case it inevitably defeats itself.

He Should Hide Himself

If a financier domineers and dogmatizes about what he will do or not do, for himself, for his selfish gain, and shows no greater purpose, then he can not afford to be known. He should hide that personality as far beneath the corporate "we" as possible.

The greatest advertisers have identified their efforts, their goods, their work, trade, wealth, with themselves. They have dedicated themselves to an idea, to the demonstration of a principle, that they were going to make the best and cheapest shoes for $3.50. The best and cheapest haberdashery in Chicago has been linked with a man who shows the back of his head, and asks the people, "Meet me face to face."

Personality is not affectation—it is human nature.

Why We Think People Egotistic

We find men calling another egotistic when they disagree with him; rarely by those who think he is right.

People like to be dominated, as we have seen, hence they are attracted by a strong personality in action. They believe in him in proportion as he believes in himself and them.

Count the I's in the first chapters of Darwin's, "The Origin of Species," yet Darwin, one of the most modest of men, could not have been accused of egotism, except by the unbelieving reader. Darwin puts the issue plainly and the adverse critic has two things to fight, Darwin and the statement.

But the "I" must stand for something—a personality with a sincere and firm judgment.

If a man says, "I know this to be the best bank for the poor wage earner, because it is managed by wage earners for wage earners," he may impress the ignorant, but the experienced laugh at the ridiculous statement, because the mere fact that it is managed by wage earners would not make it a good bank for any one.

Why We Easily Adopt and Trust Ideas

We can the more easily adopt and trust the ideas of the man whom we know and trust, as our own ideas.

Read Stevenson or Whitman or Thackeray—and if we agree with them, we translate their I's into our own personal pronoun, and become a part of the printed page.

All of us know that the "I" in us is the thing we most cherish. We brave death rather than sacrifice honor; we suffer misunderstanding and contumely and slander rather than sacrifice our conscience; we suffer privation and want and physical pain rather than loss of self-respect.*

We respect the "I" in others because we live, endure hardships and even death for the "I" in ourselves.

In fact we admire the "I" in any manly man, and manliness will probably be the best test of the egotism that is worthy.

Let us turn to an application, for a moment, of some of the general principles we have suggested.

*Human Nature and the Social Order. Page 210.

During the years 1905 and 1906 the business world experienced a house-cleaning that it will not soon forget.

The people saw, and understood, many things they never had seen or understood before. Prosperity like hard times creates critics and critics create unrest—witness the phenomenon of the desire for political change in the midst of good times.

The Danger of Ignorance

The insurance investigation was made necessary by ignorance, the people's, and the insurance managers.

The insurance companies had never considered the people.

They had said, "Give us your money and leave the rest to us."

When the people commenced to understand what *could* be done they immediately rushed to the belief that the worst *had* been done.

The Insurance Companies found themselves without the friendship of public opinion. They had forgotten the people back of the legislators and the politicians. They forgot that buying legislation remains effective only when the people are ignorant or indifferent.

When the crash came they had nothing to stay the storm. It cost them millions of dollars; and a complete re-organization of their financial methods.

This advertisement signed by President Paul Morton of the Equitable (Figure 1) is stronger by far than if it were simply a page signed by the Equitable Life as in the old days. Read it—is it not so?

Analysis

Here is another life insurance advertisement as an example from Henry Tatnall of the Washington Life (Figure 2). Is it not stronger than the advertising you see in the magazines?

I happen to know these advertisements have brought returns in larger numbers and better quality than was received from the old style of advertising copy.

The advertisement of Thomas W. Lawson (Figure 3) is an example of the use of the personal pronoun and the force of personality. Probably one of the most picturesque personalities in the market today and one that has wielded a tremendous influence among the small dealers and traders and who has few peers as a manipulator, Lawson has always been a great believer in printers' ink.

IN summer you buy the winter's coal because it is cheaper and you can get it.

Insure your life for the same reasons—while you are in health, and because *now* it will cost you less than later.

How much insurance you ought to carry and what it will cost I will take up with you *personally* by letter if you write me direct. State your age, resources, prospects, and I'll gladly advise you.

One argument concerning insurance which isn't old, hackneyed and threadbare is this: Every pay-roll man needs insurance to do the pay-roll's service to his family after the pay-roll loses his name by death. But, no salary-earning man needs, or should take, more insurance than he can comfortably carry; the best is the *protection-to-his-family* sort.

I want you to get just the right kind; and I want to personally prove to you why you ought to get it AT ONCE. If you ask my advice I'll feel you value it. Write me direct and see.

John Tatlock

PRESIDENT

Washington Life Insurance Company
141 Broadway, New York

FIGURE 2

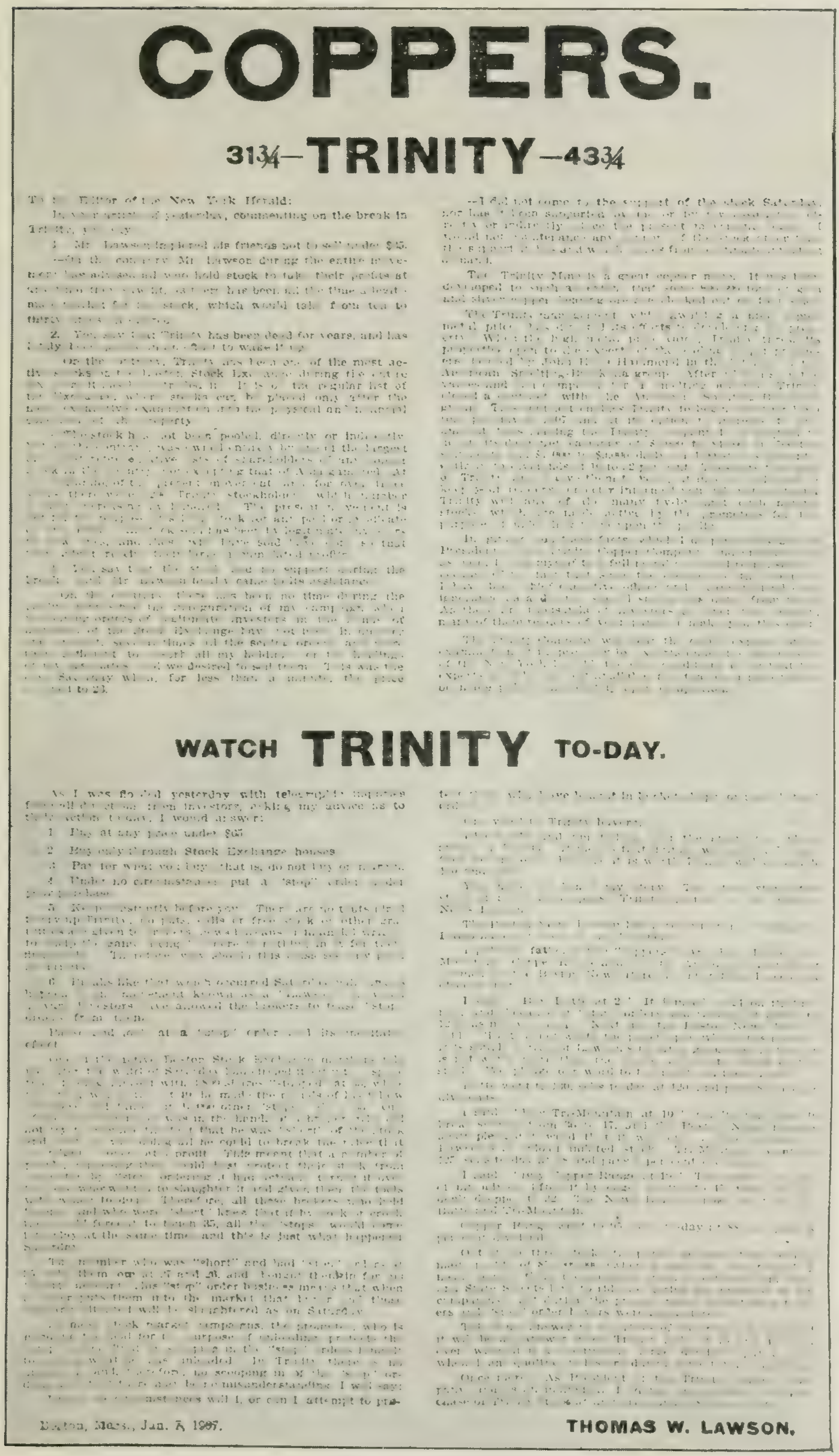

COPPERS.
31¾—TRINITY—43¾
To the Editor of the New York Herald:
WATCH TRINITY TO-DAY.
1. Buy at any price under $65.
2. Buy only through Stock Exchange houses.
THOMAS W. LAWSON.

FIGURE 3

Let us leave out of our consideration any special knowledge we may have of his principles or his business morals.

Let us admit that he is "either saint or devil"—that is not germane to our argument.

Surrender yourself to the force he wields.

No one who knows anything about the market and this man's history but admits, that he can shake any condition and make things lively for the interests he fights, and secure an attentive ear and a watchful eye to his words and his movements.

Lawson's Characteristics and a Lesson

We may not find much to desire in the quality of his candor, but his style of slashing into the heart of his subject, his constant seeking battle, his swashbuckling methods and his apparent disdain of the sleek suavity of the polished promoter, developed for him a personality in the public mind which has made him a power.

Do not let us take sides.

Here is a column and a half ad that is breathing the cool anger of a misrepresented man who has a good thing and wants to protect those whom he has helped into it. The whole ad is forceful. Now if the very name of Lawson does not spell charlatanry and smell of putrefaction, you have got to admit that he is making use of a great power in a powerful way.

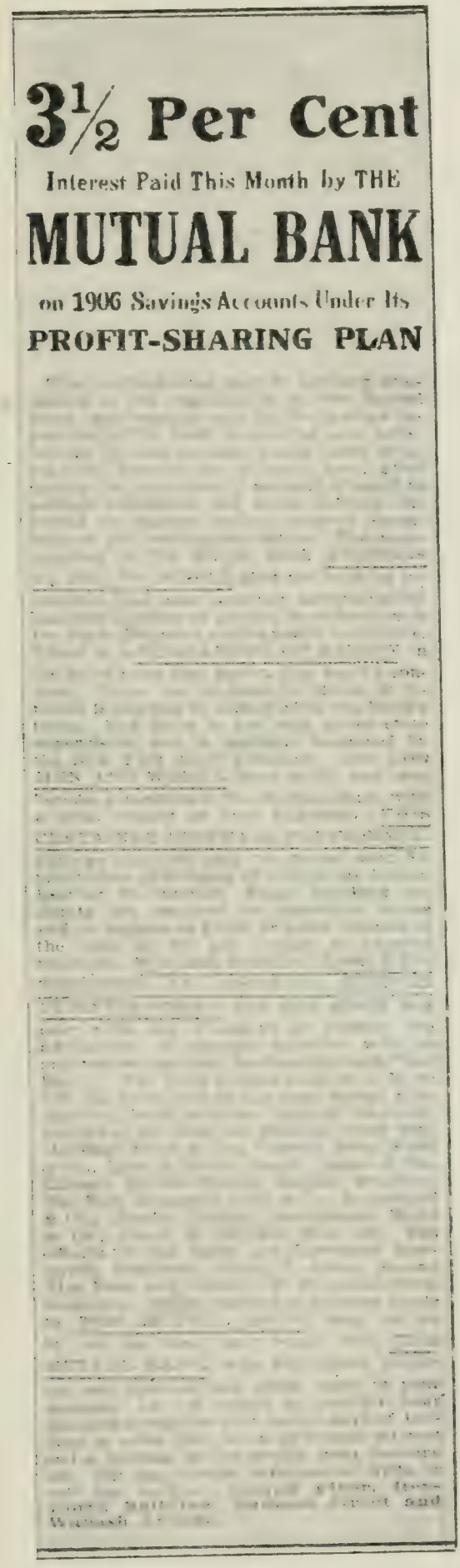
You must admit that he can reach into every nook and cranny of the land. In your bank at this minute there may be a man or woman who is withdrawing his or her savings to help put Trinity where Lawson wants it to go.

Say he is a bad force let loose for ruinous ends, what are you as the conservators of the public purse doing to stop it?

Lawson's Effect on Your People

Sitting in your private offices and telling some of your moneyed friends not to be influenced by this wild Bostonian? What good does that do the little fellow you are forgetting and whose deposits you paid to get?

If Lawson is after all a beneficent influence what are you doing to hold the benefits in your own bank and city? Why should this Bostonian reach into your Texas home and lay your bank under tribute? Why indeed?



3½ Per Cent

Interest Paid This Month by THE

MUTUAL BANK

on 1906 Savings Accounts Under Its

PROFIT-SHARING PLAN

FIGURE 4

Is it not because you let him by doing a little preaching and talking on your own hook?

Suppose You Try This

Suppose he were to change all those I's to We, tone down the characteristic "egotism" as you will call it, and make it a nice well-worded, a trifle pompous, statement and sign it, Thomas W. Lawson & Company. Wouldn't half of the force be gone?

Suppose again it were all put in the third person and we had, "Mr. Lawson says," and so on, wouldn't it be a weak and wobbly pronouncement, too? The thing that will defy the closest analysis is the Lawson in it. That is the part that is the strength in attaining the object for which it is written, the strengthening of the market by holding the small holders of Trinity in line, and without all the weaknesses that you see in it that object could not be so well realized.

Lawson knows the market and his people. He knows how to talk to them.

The only object of injecting Lawson into this discussion is to show the real force of personality as applied to the discussion of financial subjects with the public.

Analysis

Here is a style of advertising (Figure 4) somewhat different from the usual run of bank advertising. In the first place the bank itself is different, in that it gives a mutual or co-operative feature whereby after the regular stipulated dividend is declared, the bank divides the surplus among the depositors and shareholders equally.

The plain talk of this ad is very attractive to many small depositors. It is a plain statement of the principles on which the bank is organized and has the news features of which I have spoken before.

The most unique and interesting part of the ad, however, is the section dealing with the people who deposit in the bank. After all talk about the officers the most confidence is obtained through those who have placed their money in the bank.

The firms mentioned are known as conservative business houses and their judgment is well known. The fact that such depositors are with the bank means a great deal to the prestige of the bank. From the comments made by over a thousand correspondents this ad is much stronger than the mere mention of strong names on the board. Especially is this true after the exposure of directors as dummies.

J. P. MORGAN & CO.

Wall Street, Corner Broad

NEW YORK

DREXEL & CO.

Corner of Fifth and Chestnut Streets

PHILADELPHIA

MORGAN, HARJES & CO.

31 Boulevard Haussmann

PARIS

DOMESTIC AND FOREIGN BANKERS

Deposits received subject to Draft. Securities bought and sold on commission. Interest allowed on deposits. Foreign Exchange. Commercial Credits. Cable Transfers. Circular Letters for Travelers, available in all parts of the world.

ATTORNEYS AND AGENTS OF

Messrs. J. P. MORGAN & CO.

No. 22 Old Broad Street

LONDON

August Belmont & Co.

BANKERS

No. 23 Nassau Street

AGENTS AND CORRESPONDENTS OF THE

Messrs. Rothschild

London, Paris and Vienna

Issue Letters of Credit for travelers, available in all parts of the world.

Draw Bills of Exchange, and make Telegraphic Transfers to Europe, Cuba and the other West Indies, Mexico and California.

Execute Orders for the purchase and sale of Investment Securities.

FIGURE 5

"Know a Bank
By the Men Behind It."

¶ We invite attention to the personnel of our Board of Directors. ¶ You will find them men who have made successes in life—not through speculation, but by thrift and industry alone ¶ It is a sufficient guarantee of prudent, conservative management

WM. J. H. WATTERS,
Director.

Mr. Watters is one of the oldest of the Board members both in age and point of service, he having served continuously for more than thirty years. He is of the well-known pioneer firm of Armstrong, Cator & Co., and his wise discretion and mature judgment have in times past and now continue invaluable to the Bank's management

Commercial and Farmers' National Bank,
Howard and German Streets.

FIGURE 6

Strongest in the World.

STAND PAT

Outside of a few big Eastern centers the country never was more prosperous.

The corn crop is the largest in value ever produced —other staple crops are good.

Everywhere west of the Mississippi there is a shortage of cars. The farmers, the banks and the business public of the entire country, outside of the Eastern cities, are enjoying extreme good times. And while right here in the East money conditions are unsettled, the difficulty is due, not to natural conditions, but to causes that are corrective in character and that are bound to have a lasting salutary effect.

The vast resources of this country are just beginning to be developed—the future has things in store that are scarcely dreamed of now

And while the present financial readjustments are severe they cannot be anything but temporary in character—and are bound to be beneficial in effect.

And just now—as a safe bridge across the chasm of troublous times, as a protection to credit and a solid guard against possible sacrifice of estate or securities—a substantial policy in The Equitable is more essential than ever. Life insurance is the one security that does not fluctuate in value.

THE EQUITABLE

LIFE ASSURANCE SOCIETY

EDWARD A. WOODS, Manager.

Equitable Floor, Frick Bldg.

FIGURE 7

Analysis You will also notice how emphatic the ad is about the directors and officers borrowing money from the bank. This comes in recognition of the present state of public feeling and opinion.

The advertisements of J. P. Morgan & Co., and August Belmont & Co. (Figure 5), are of the class denoted as "eminently respectable" and belonging to that ancient school of advertising which flourished at the time of the introduction of printing.

As neither of these houses probably care for popular business, preferring to deal with men and women of affairs who are thoroughly familiar with the methods and facilities of various banking houses, they do not care to be more explicit relative to what they can do for the business public. Granting, for the sake of argument (what we will not accept), that there is no need for educational advertising, surely there is a need for the cards to appear far more artistic and according to the tenets of good taste. Even if we pride ourselves upon our indifference to public opinion, is there any reason why we should deliberately appear at our worst? Neither of these cards, in either phrasing or display, reflects any credit on the brains or artistic sense of the great houses whose names it bears.

That other style of personality in advertising which deals in personalities, thereby gaining and holding interest, is shown in Figure 6, the advertisement of one of the most aggressively advertised banks in the country, the Commercial and Farmers' National Bank of Baltimore, Md. This sort of advertising always pays in increased public confidence and it serves to call to public attention that this well-known and respected citizen is interested in the particular bank. In this case the bank has been peculiarly happy in the way it has handled the copy.

Now and then we have scares—things look panicky for awhile and the people take to hoarding their money. Then is when we wish and pray for the public enlightenment. We want to go out in the highways and byways and talk "confidence," "faith," "stand pat," and all the other things that we hope people will do, although we have not taught them how to know what to do. When the money scare of October, 1907, hit Pittsburg, some of the broad-minded business men immediately got busy and commenced to preach "stand pat." I show in figure 7, an advertisement published by one of the largest life insurance agencies in the city. It talks forcefully and pointedly about the scare and tells the people what to do—"stand pat."

The bankers should have passed the word down the line to their merchant customers to preach the "stand pat" sermon. Analysis

I introduce these insurance advertisements because the subject is so intimately allied with finance that it has a moral and a lesson to suggest.

CHAPTER VIII

USING THE LOCAL NEWSPAPER

THE VALUE OF THE DAILY PAPER—THE GOOD NEWSPAPER—THE NEWSPAPER IN THE LARGE CITY—NEW YORK AS A CRITERION—SELECTING DAILIES IN WHICH TO ADVERTISE—PUTTING NEWS IN NEWSPAPERS—HOW TO MEASURE A NEWSPAPER'S INFLUENCE—EDUCATIONAL ADVERTISING IN NEWSPAPERS—THE INTERESTS OF THE DAY—INFLUENCE ON PANICS—KEEPING IN TOUCH WITH THE PUBLIC—USING THE READING COLUMNS—THE COUNTRY LOCAL PAPER—CITY AND COUNTRY CONDITIONS COMPARED—COMPARISON OF ACTUAL NEWSPAPER ADVERTISEMENTS

The Extent of the Daily and Weekly Interests

THERE are a trifle over 19,000 daily and weekly newspapers in the United States, because the people want them.

This suggests the further thought that they must be worth something to us as advertisers.

Each copy of the average daily paper costs the publisher from one-half to three times what the buyer pays for it. The publisher gets his profits from the business man who desires to attract and interest the trade of the man who reads the paper.

In 1905, by the Federal Census, the receipts from newspaper and periodical subscriptions and advertising was $260,000,000, of which advertising alone furnished $146,000,000, which would indicate that periodical advertising was a rather important part of American business life.

In America the daily paper, without doubt, furnishes the mental food of the masses.

They cannot but help be the great medium through which an appeal to the people must be made to be most quickly and thoroughly effective.

The newspapers vary greatly in their character. In any generalization about newspaper advertising, exceptions must be allowed for the poor newspaper. Probably one of the best advertised department stores in the country is that of Marshall Field & Co. of Chicago. Most professional advertising men will agree that Waldo P. Warren, the advertising manager,* is one of a few who have both the capacity and the inclination to analyze a proposition to find its real strength or weakness.

In a recent talk on the subject of the ideal newspaper he said:

"The ideal advertising medium is the home newspaper. It is a paper which is so filled with good thoughts for every member of the family that it finds a warm

*In 1906.

welcome and an eager reading wherever it goes. It is free from crime and scandal and unwholesome things. It takes more pride in the quality of its circulation than in the mere quantity—but it has the quantity as well as the quality. It is not boastful nor too much given to finding fault. It wins the confidence of the people by its simplicity, honesty, purity and progressiveness. It handles the news of the day in a manner which appeals to the better class of people and to the better nature of all people. It emphasizes the hopeful features of the news rather than the discordant ones. It has a permanent location for its special features. It is an authority on whatever it undertakes to exploit. It has a reputation for correctness. It regulates its advertising pages by reasonable requirements regarding display and illustrations, so that the page represents a pleasing whole."

The Ideal Home News Paper

While some of these qualifications may be thought Utopian none of them will be considered impossible. Yet, few newspapers of our acquaintance could approximate even half of these requirements, which we will admit, are in every way desirable. Mr. Warren might have suggested, in addition, that the ideal newspaper will endeavor to maintain honesty and integrity in the advertisements it permits to occupy its columns, and I think he would then have embodied all the requirements of an ideal newspaper.

Some stress is laid on the character of a publication, because we must judge a newspaper, as an advertising medium, by its methods and the attitude it takes on public and ethical questions.

A publication is no better than its advertising and news columns.

The newspaper that preaches the brotherhood of man and the Christian spirit, that is always assuming a high moral tone in its editorial columns, yet panders to the lusts and morbid curiosity of the mob in its news and advertising columns, is worthy of no support and has little valuable influence to give to the banker.

Some will dissent from this view, arguing that it is to the class that reads this sort of stuff that the appeal must be made. Experience has proven otherwise. City bankers wanting the deposits of saloon men, race-track touts and bookmakers, dive keepers, and all the moneyed men of the underworld, of course, will go where their customers most likely see and hear them.

It Means Hard Work

The newspaper that is the home medium should be used, but it is expensive and the requirements of intelligent use are onerous on the bank official who looks after it himself.

The newspaper in the large city opens up a tremendous field of usefulness, because it fills two fields, the commercial appeal to business men and the appeal to the housewife and her household.

There is little to be gained by going into that ancient and hoary question as to which is the better, the evening or the morning newspaper?

In so far as the banker is concerned, the time of publication has little to do with the question of advertising. The morning newspaper generally accompanies the business man down town, and he is likely to be interested in the financial news, and the bank ad on the financial page will prove interesting, and will probably be read, provided it is readable.

An Advertisers Interests in Advertising

As has been said before, any business man will read bank advertising if it is made to appeal to him and his.

He will read it because he is more than likely an advertiser, therefore he has an interest in all advertising.

The evening paper probably has more of an opportunity to reach the home folks, and as such is generally conceded to be a good savings bank medium.

When the question of newspaper advertising is to be considered, the banker generally assumes the attitude of compromise and gives all the local publications some of the appropriation. He considers this politic and it generally is, but it is also somewhat wanting in sound business judgment. The best papers for your needs should *have* the largest allowance, and the others given what can be spared from the appropriation.

After a somewhat lengthy experience with newspapers it has been found that they are not so likely to use the editorial weapon to get an increase of business as the banker's fear might seem to indicate. It is undoubtedly true, however, that an advertiser gets better treatment than a non-advertiser.

It Has Paid Best

Experience has proven beyond any doubt that the newspaper advertising that has paid the banker best, has been the *news* advertisement, copy changed every insertion and kept alive and up to the hour.

In the planning of a newspaper campaign it will sometimes be found necessary to vary the advertising to suit the needs of the publication.

Take New York as an example.

There are nineteen daily newspapers published in New York City. In a city with such a highly diversified population the newspapers are a reflection of the popular demand.

"The New York Commercial" appeals to the man interested in the markets.

The New York Situation At a Glance

"The New York World"' is a newspaper for the masses, workingmen and wage earners.

"The New York Herald," a newspaper for the intelligent wage earner and average business man.

"New York Times," about the same.

"New York Press," a Republican newspaper occupying the same relative position as "The Times."

"New York Evening Post," for the high-grade, conservative banker and man of affairs.

"New York Sun," about the same, with a special Wall Street following, because of the reputed interests of heads of certain banking houses.

"New York Telegram," the newspaper of the sporting fraternity and the stage.

A bank having a savings department could use all of these papers to some profit.

"The Commercial" should get talks about a bank's service as a commercial bank, likewise the "Post," "Sun," "Herald," "Times" and "Press."

The savings department should be advertised in the "World," "Press," "Times" and "Telegram." The inclusion of the latter may be questioned, but President Wood of the Bowery Savings Bank of New York says that he has found advertising to the people of the stage a very satisfactory source of new business.

Difficult to Understand

At first it is difficult to make the banker in the city understand that newspaper advertising should be done on a daily change basis. He has always looked on the newspaper advertising as a sop to the influence of the press.

He has vaguely felt that it might serve to prevent the publication of a news item that he would prefer kept out of print, thinking that there was some magic in the suggestion that—"As a regular advertiser in your paper I would much prefer that no mention be made of the unfortunate

disappearance of our teller, Mr. Brown, as such publication, while the event is unimportant and in no way injurious to this bank, might tend to give the public a wrong impression of its importance," etc., etc.

The Influence of the Advertiser With the Editorial Office

It will be admitted that advertisers have been, are and always will be, able to dictate to a greater degree than non-advertisers what news affecting their interests shall appear in the newspapers they patronize, yet it is not nearly so prevalent as the general assumption might indicate.

Probably in your city, as there is in a certain city in Ohio, a bank has been running the same advertisement for five years—the copy has not been changed, the set-up is the same, and it has never appeared on any other page. Probably the cashier of the bank would have forgotten its existence, except that the bills reminded him, and it is doubtful if he troubled himself to look it up. Under similar circumstances a banker who had run the same ad for four years was asked why he didn't change his copy.

"Why should I? The copy says all we want to say," was the answer.

One Banker's Way of Looking At It

"Yes," said the critic, "but it isn't what the public wants to know."

The banker smiled and dismissed the subject with, "Well, we run our own advertising."

Of course the banker was as blissfully unconscious as the man who declared the earth was flat, "and any blamed fool could see it was," that he had made a fool of himself in that man's eyes.

Probably the Ohio banker and our other friend would be greatly pained to know that their advertising had aroused such sentiments in any one's mind, but if they could hear the intelligent comments of the average man and woman who nowadays look for news and interesting facts in the advertising columns, they would change their advertisements for no other reason than the answer to: "Why don't they change that advertisement?"

What Ones?

Having decided to use newspapers the city banker wants to use but a part of the number. He wants to know what ones to use. His own preferences are not safe guides. He must go outside of his feelings.

Instruct each clerk in your employ to find out what papers his people read and what papers the neighbors read.

Enclose with each of the monthly settlements as it goes out, a little card, somewhat like this:

How to Find Out What Your People Read

> In order to confine our newspaper announcements and advertising to the people in the city with whom we find it most desirable to do business, we would like to have you indicate on this card your answers to the following:
>
> What morning newspaper do you regularly read?
>
> What evening newspaper do you regularly read?
>
> What newspaper goes to your home?
>
> Which do you prefer from the standpoint of confidence in its honesty, fairness and reliability?
>
> Please put this card in your Pass Book that it may be returned when you make your next deposit.
>
> With many thanks for your courtesy,
>
> The Guidance Savings Bank,
>
> John J. Jones, President.

In several instances where this was used the information was rather surprising and led to a revision of the proposed apportionment.

The Best Index to the Character of a Newspaper

It will also give some interesting data on territorial circulation, as some dailies will be found to have a business district circulation and little home circulation; others will be found circulating in the street and very little by carrier; others only in certain districts of a city.

After all, however, the careful study of the retail advertising handled by a newspaper is the best index to the value of a newspaper to you. Retail advertising argues home circulation, home influence, and where there is a home with money to spend in the retail shop, there is money to be saved in the bank.

The high-grade retailers can be judged by their advertising. Ask your women folk, ask your servants, and if you want your own kind of trade, go into the paper handling your kind of advertising. If you want the wage earner watch the servants, the porters at the bank and take a vote among the clerks.

Pooh! Pooh!

I have heard some bank advertisers pooh-pooh "going to all such trouble" to decide what and where they shall spend their appropriation. They say, "Advertising's all a gamble, anyhow."

I always keep an eye on a banker who talks like that. If he doesn't know what he is talking about he is ignorant of a proposition in which he is investing the stockholder's money. If he is just indifferent then he is dangerous.

Having decided on your publications, the next thing to decide is how often and how much you will use the papers, which will be the subject of another chapter.

Keep your eyes on the news columns.

As this is written, in the October of 1907, the newspapers are printing the Wall Street stories about hard times and tight money. Ex-Secretary of the Treasury Shaw comes out with a "Be calm" talk, reports come from the West of good crops, cotton is going to be a hummer but late, and you can see the spectre, PANIC, stirring and looking about.

Meeting the Hard Times of 1907

Shall we be frightened and curtail, or shall we go on and dare? is the question.

What are the bankers doing and saying?

In the quiet of their private offices, what? We do not know, hence we little fellows who count our wealth in hundreds say, "No, Mary, I guess we'd better not paint the house this fall, you know times look a little squally," or, "Perhaps we better wait about that lot and buy it in the Spring when things may be looking brighter; and you might as well go down town the first thing in the morning and draw out our money." Do I go ask my banker?

Yes, of course, and after I have survived the arctic atmosphere of his private office, and begged humbly and in the dust for his forgiveness for daring to intrude on his imperial solitude, I do not believe a word he says about "having faith."

There you are—the picture is true—except in the country bank where President Jones is closer to his people.

The Glittering Generalities of "Market Letters"

Ask some of your small depositors if they ever lost a part of their savings because they could get no better advice than the glittering generalities of the "Investors' Column" of a weekly, or the "Market Letter" of a bucket-shop.

Your newspapers are going into the homes—talk to the home.

Talk to these people as one human being talks to another, in the everyday work of life. You are talking to American men and women who, just because they are not wealthy, are not to be led by warnings and shoutings into starving themselves today that they may eat tomorrow.

Don't make savings and providence gloomy and forbidding. A man can generally save something without denying wife and children the

necessities of life. Adopt the simple, human slogan that should run through all your savings bank talks, "Earn more than you spend and bank the difference."

You can, if you have the necessary training, make your advertisements interesting and instructive without painting a gruesome end for the man who does not save.

Change with the seasons and with the interests of the day.

Reflect the news in your advertisements. When the talk is of panics, money stringency, talk faith and hope in your advertising. Panics are due to lack of confidence—when people, especially bankers, stop doing the very thing they should do more and more—loan money.

Panic Panaceas

It is obvious that panics could be overcome by expanding credit, to meet the sudden demand and then by gradually liquidating, squeezing out the water.

But it is the sudden and simultaneous locking of strong boxes that brings Gaunt Panic to the fore and throws the people into the whirlpool.

Preach confidence in times of stress and storm—preach faith and act faith.

No man should pass along a word of pessimism.

Just as soon as the confidence of the public seems to hesitate, act—through your advertising and in your published interview. Let the paper interview a member of your executive committee, or your cashier, or your president.

It helps two ways—in making confidence and in advertising the bank.

Keep Out of the Limelight

You don't have to figure in the limelight at all, but you can put in a few quiet words breathing confidence and good cheer that will make people sleep sounder.

It is for your own self protection.

You know you couldn't pay every cent you owe tomorrow, why, then, don't you protect yourself and your stockholders and depositors from anxiety and worry?

When a stockholder or an official of your bank does a good thing in business, or a wise thing in public affairs, don't forget to have the bank mentioned in connection with it.

When the new bank building goes up don't use a page in showing photographs of the officers and the new building alone (Figure 1), but have an interview with the oldest official who will tell of its growth and probably some interesting reminiscences of the city's growth and old banking days, as shown in Figure 1.

Remember people are much more interested in hearing about men and their lives and work, than in hearing about the square feet area of your counting house.

Get your facts and figures into the story, but talk about the achievement as a human work and not as though it were the automatic production of a machine.

Handling the News Features of a New Bank Opening

If your bank is new and your banking house is new and you are just opening, then the advertising space should be modest, but the reading article which the editors will be glad to give free for the year's contract for display space, may be as large as the interest of your story will carry. Insist on having it treated as news and see that a different article goes into every paper. In one, talk about the officers of the new bank, in the next about the wonderful locking and safety devices, giving figures of tons of steel and concrete, the mechanism of the locks, the foundations, etc., all of which will be new. In the next compare old and new banking methods, bringing out the women clerks in the women's department, the private rooms for conferences, the bond room, the waiting rooms, the new style check books, and the new way of auditing that permits the depositor to keep his deposit book without the monthly surrender. The next paper should have something in the way of announcement as to the new bank's policy toward the business life of the city.

All the newspapers will give editorial mention if prodded on the subject, and the press can, with the expenditure of some gray matter and a little money on your part, appear to be full of the opening of the new bank without the stories appearing as paid puffs.

Escaping Undesirable Publicity

The city bank advertiser sometimes has to escape undesirable publicity. Things of no particular moment must not be permitted to appear important. A forgery may be committed, or attempted, and if the newspapers get hold of it, no doubt it will be played up for large pictures of the bank interior and photos of tellers and blood may flow (in the story) if the reporter stays far enough away from the scene. The bank officer who is in touch with the newspapers should insist on giving the right version and being assured that it will be published.

On other occasions officials may be heavy stockholders in mercantile enterprises in distress. There is no necessity for their banking connection to appear, and the advertiser should prevent it, when there is no hint of wrong doing.

Encourage the A. I. B.

The city bank clerks generally have a club or belong to the Chapter of the Institute of Bank Men. The bank should encourage their work and stand back of the boys. It should let it be known among the newspapers that a courtesy to the chapter is a courtesy to the bank.

For the country bank local newspaper advertising becomes more vital because advertising looms larger, means more. It is, however, largely simplified by the smaller number of newspapers.

The same general rules about character of copy, frequency of change, apply here as well as in a larger city.

It is simply a matter of degree and size, the principles are there unchangeable and successful practice unchanged.

Stick to Facts, an Experience

Stick to facts in your advertising. As Mr. Cohen, of the Portland Trust Company, Portland, Oregon, said in a recent address on the subject of "Securing Business:" Never say anything in an advertisement that is not true, even to the letter, and true in spirit. If you have lost money on last year's business, don't tell the public that you have gained money. If you do not tell the truth in your advertising, sooner or later you will suffer by that course. There was a certain bank in one of the cities of the Atlantic Coast that has been publishing a series of the most aggressive and clear-cut advertisements, but every now and then something did not seem to read true about them. I have found since that those advertisements were not true. The effect was to bring that bank so much trash that, I am informed, it was within the past six weeks on the verge of insolvency. A lie is not consistent with itself and you will never profit by a lie in your advertising, any more than you will by a lie in your private life."

Don't Be Afraid of the Facts

Having facts, do not be afraid to talk about them.

Display advertising in your newspaper is essential, but back it up by plenty of local news and reading notices. When you add to the equipment of your bank talk about it. For instance, when you buy an adding machine or a coin cashier, the event is worth at least a half column in all your local papers telling about the inventor, his life work and his marvelous success in creating the mechanism.

First Mortgage Bonds Selling Under Market Prices in "Vault Clearance" Sale.

Yesterday we inaugurated a "Vault Clearance" sale to dispose of some odd lots of First Mortgage Bonds which we purchased at low prices during the recent money panic. We offer them at prices so decisively reduced that those who buy at once can realize 6% to 6½% on their investment.

FOR the past six months a condition of stagnation has existed in the bond market, directly due to the high money rates—and we had opportunities of buying many high-class bonds at low figures.

We take the unprecedented course of conducting a bargain sale of bonds comprised of these odd lots.

Included are First Mortgage Railway Company Bonds, First Mortgage Electric Light Company Bonds, First Mortgage Water Company Bonds, and First Mortgage Gas Company Bonds.

The majority are long term bonds (17 to 25 years) usually sold to net a 5 per cent. income—now offered by us under their market prices to realize 6 per cent. to 6½ per cent. income.

Bear in mind that this income rate continues annually until their maturity.

Some Railroad Short Term Notes at a special price that will net nearly 7 per cent.

We invite inquiries from only those who have funds for immediate investment. Quick buying is imperative, for remember these bonds are offered under market rates and will unquestionably advance to their former prices.

A. N. Chandler & Co.,
Bankers,
THE BOURSE, PHILADELPHIA,
Fifth Street Front

New York, 111 Broadway.

FIGURE 1

Of course, indicate to your local editor that whenever your bank officers' names are mentioned, they should mention the bank. And it is well, as one official came to understand, that this should have a proviso, i. e., that the news was not to the discredit of the man or the bank.

What's the Difference?

The question has been asked several times, what is the difference between writing newspaper and magazine advertising?

In principle there is none.

Newspaper advertising, of course, does have one thing that magazine advertising can not have—it can get closer to the people of a banker's community than magazine advertising can to the people of a nation. Even this statement must be qualified to a certain extent.

Suppose the local bank in a county seat publishes, during the week of the County Fair, some statement about the number of visitors it had and the number of new accounts opened, and some offerings relative to entertaining out-of-town customers.

Taking Advanta of Local Happenings

Manifestly that item would not be good advertising for the bank to use in a paper published in a county at the other end of the state, unless the people to whom it was addressed were interested in the fair. It must be apparent to all that the advertisement would not be of any particular moment to a national magazine reader, couched in the same terms.

On the other hand, the large city bank in Chicago, might with perfect propriety give statistics about the number of its depositors, the number of checks and drafts it handled in a single day, the number of its employees, etc., in a newspaper in New York, also in magazine advertisements, because the people at large are interested in the metropolis.

There is a certain glamor about the metropolitan bank, a definite and fixed interest in what it does and thinks and the life stories of its people.

The newspaper is primarily the news medium while the magazines are for education alone.

The Everyday Happenings

The every day happenings of a bank's life may be made the vehicle of newspaper advertising.

The magazine on the other hand, appealing to a wider and more diversified audience, has to meet its people on a plane of entertainment and instruction.

As an instance of the news style of advertising fitted for newspaper, the advertisement shown as Figure 1, is in point.

A Peculiar Advertisement

Aside from being a peculiar and exceptional expression of the merchandising spirit in banking, frankly expressed, the advertisement is news.

It is not a good advertisement from the standpoint of advertising, because it is not quite frank enough—it does not mention the name of the bonds. This reservation was likely to arouse adverse comment on the part of some. The idea of selling out a lot of bond remnants has the merit of novelty if nothing else, and if the names of the bonds had been given to show that the offer was to be taken at its face value, it would have been much stronger.

It may be said that the naming of the offering would tend to bear the price.

Probably, but the intention of the advertisement was to bring bargain hunters, and the buyer would naturally assume a bear attitude towards any offering after such an announcement.

Analyzed, the intent and purpose of such an offer needs no apology. It is perfectly legitimate.

Why shouldn't bonds be offered on the basis of so much goods—so much in automobiles—so many pounds of cotton?

In your vaults to-day are securities you would be glad to put on the bargain table, and sell to any man who wanted them—at a price.

Why shouldn't you have a "vault clearance sale" and turn them into money?

Too far ahead of the times, probably, but we are coming to it.

"Sounds Improbable"

The advertisement headed, "Sounds Improbable" (Figure 2), is an example of news advertising. It is probable that the town of Washington, N. J., with its 4000 population had 100 copies of the Saturday Evening Post." The story was familiar, and the way the bank handled it in this advertisement, admirable.

It is interesting from first to last, and the last paragraph has the snap that drives a point home. This sort of an advertisement is especially good style to run after, or in the same edition with the advertise-

Sounds Improbable

The story in the SATURDAY EVENING POST last week sounds improbable, but was in fact quite possible. A maiden woman of very considerable means and perpendicular ideas of life, sold a piece of property for a large sum of money. Her lawyer advised that the certified check be deposited in the bank. She had little or no knowledge of banks and began making inquiries among "her set" about the bank. She learned that the son of one of the Directors had married an actress! and it was all off. Her sense of the proprieties was shocked. A "peddler" of securities was at hand—these are always at hand when there is a chance for commission on your savings—and told her of a mining investment of WONDERFUL POSSIBILITIES, returning 30 per cent. She made other inquiries and got a letter from the promoter's pastor, telling how he had built up the home Sunday school. The shares were 49 cents, but would be raised to $1.09 in two days, par value $50. She sent on the certified check and begged him to hold off the raise until she could dispose of her Government bonds and teach the old family lawyer how to do business and the value of "character." The promoter held off the RAISE until he could get the proceeds of the bonds and then he went to Europe and the woman to the poor——, but no; the old lawyer dug up some other assets that would keep her, in strict economy. The bank would have returned the same rate of interest that the bonds returned, at least the

Old First National of Washington

does, and the money would have been safe and at command when wanted. MORAL—a bank at home with a million and a half of assets, is safer than a promoter in the city with his steamer trunk packed.

Better Be Safe Than Sorry

FIGURE 2

The Failure of the Milwaukee-Avenue State Bank.

The failure of the Milwaukee-Avenue State Bank at Chicago a few days ago was most deplorable, all the more so that it was due to lax business methods that might so easily have been prevented. But out of that dreadful story, so demoralizing to public confidence, comes a strong moral, and it is this—beware of the one-man bank, for wreck and ruin surely follow in its wake. It is the rock on which more banks have foundered than anv other.

Old man Stensland was THE BANK. His Directors, always too busy with other matters to give the Bank any attention, woke up to the true condition of affairs after it was too late. Stensland stole a million, was several years doing it, and actually had fully one half of his theft concealed in forged notes. There is some excuse for the Bank Examiner having been fooled, but absolutely none to be offered for the Directors, and the bank could never have been looted in this manner had they taken an active interest in their Bank, as the law intended they should when they accepted the responsibilities of that trust. Such a thing could never happen in the Commercial and Farmers' National. Our Directors are alert and thoroughly familiar with every line of credit in the Bank. They would never permit the loaning of such a tremendous amount of money to any one person, firm or corporation. Forgeries are practically impossible, owing to our method of approving notes. Finally the examinations by expert accountants made of our Bank once a year would trip up any such irregularities.

The sterling character of the men composing our Board, together with their untiring energy and intense interest manifested in the Bank, counts for much, and should have your consideration when making up your mind to a choice of Baltimore depositories.

COMMERCIAL & FARMERS' NATIONAL BANK

FIGURE 3

ment of a fake mining or stock proposition. Get yours as near to such a big advertisement as you can.

On the other hand Figure 3 shows how the Commercial and Farmers' National Bank of Baltimore treated the news of a failure of a Chicago bank. Such an advertisement brings home to the people of your city the truths about good banking, and makes them a live, insistent issue that each man must think about and consider. Of course, such an advertisement cannot be ignored, it must interest and it does persuade. Analysis

Its open, candid, personal character can not be ignored.

It takes hold of you, and makes you listen to what it has to say.

The advertising of foreign money order and draft business is generally the poorest a bank does, because the banker understands so little about the foreign business.

In Figure 4 we see a typical foreign draft advertisement.

The following (Figure 5) from a bank who wishes to be unknown, seems to be more definite and to the point.

Using illustrations in newspaper advertisements requires great care, because the value is generally lost by the poor press work.

Advertisements designed like Figure 6, give a striking result calculated to arrest the attention, and the copy will adequately present the reasons why, for quick reading.

Of course, all that has been said applies to trust company advertising as well as to commercial and savings banks, except that the trust company has a greater opportunity to prepare effective copy on a new point of service and news each day.

The style of advertising dear to the newspaper management is the page reproduced in Figure 7, which is valuable to the bank only as a chance to "make an impression." I doubt its efficiency, maintaining that such a display neither educates or impresses in a way to make business. The experience of those who do their advertising on a basis of traceable results is all against such a use of space, and I am content to follow the practice of the man who knows what his dollar produces, rather than trust to that false beacon—general results.

In the next page space (Figure 8) we have a different treatment, and a more commendable result. The history is good—the list of original

ALL PARTS OF THE WORLD

We have the necessary facilities for sending money to all parts of the world, and without danger of loss. When you wish to send money by mail try our way.

The Bank of Yampa

HAVE YOU RESERVED A SAFETY DEPOSIT BOX YET?

FIGURE 4

Wanted to Send Money to Schrobeenhausen

He wasn't sure we could reach out into the little town in Bavaria, but we soon explained our method of handling the matter which protected him and insured against red tape at the other end. He didn't have any more bother than simply signing a check, as he had an account with us.

You, no matter whether you are a depositor or not, may have the same facilities, in sending any amount of money, great or small, to any part of the world.

Let Us Talk it Over

FIGURE 5

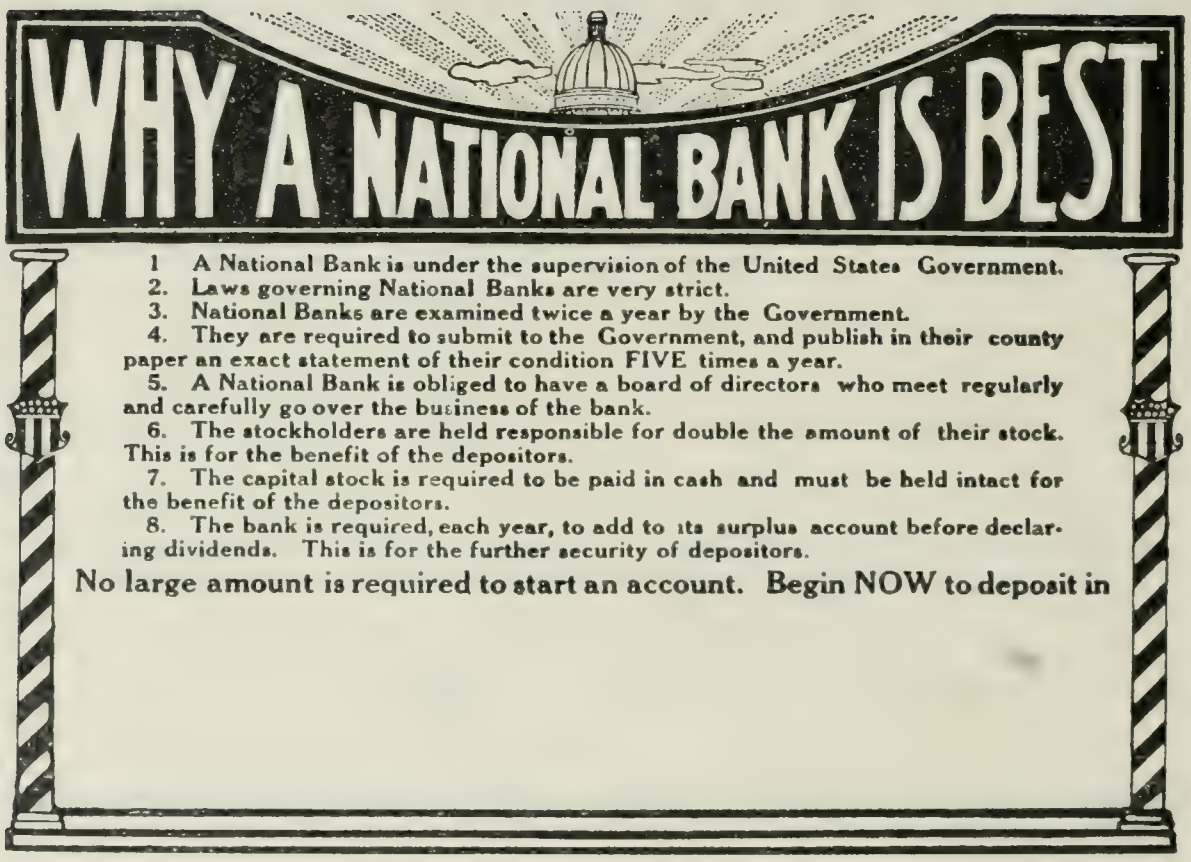

WHY A NATIONAL BANK IS BEST
1 A National Bank is under the supervision of the United States Government.
2. Laws governing National Banks are very strict.
3. National Banks are examined twice a year by the Government.
4. They are required to submit to the Government, and publish in their county paper an exact statement of their condition FIVE times a year.
5. A National Bank is obliged to have a board of directors who meet regularly and carefully go over the business of the bank.
6. The stockholders are held responsible for double the amount of their stock. This is for the benefit of the depositors.
7. The capital stock is required to be paid in cash and must be held intact for the benefit of the depositors.
8. The bank is required, each year, to add to its surplus account before declaring dividends. This is for the further security of depositors.
No large amount is required to start an account. Begin NOW to deposit in

FIGURE 6

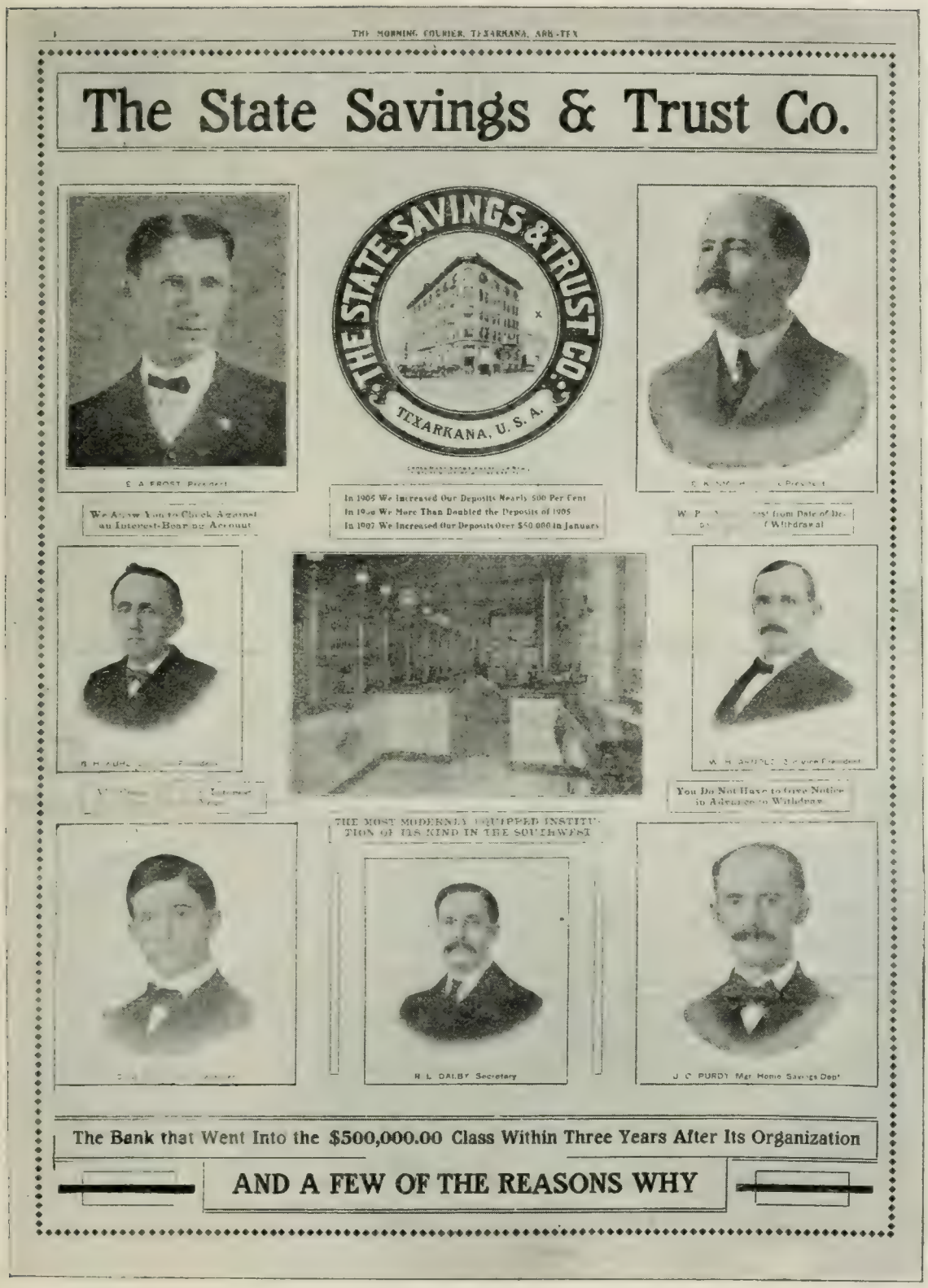

THE MORNING COURIER, TEXARKANA, ARK.-TEX.
The State Savings & Trust Co.
THE STATE SAVINGS & TRUST CO.
TEXARKANA, U. S. A.
E. A. FROST, President
We Allow You to Check Against an Interest-Bearing Account
In 1905 We Increased Our Deposits Nearly 500 Per Cent
In 1906 We More Than Doubled the Deposits of 1905
In 1907 We Increased Our Deposits Over $50,000 in January
THE MOST MODERNLY EQUIPPED INSTITUTION OF ITS KIND IN THE SOUTHWEST
You Do Not Have to Give Notice in Advance of Withdrawal
R. L. DALBY, Secretary
J. C. PURDY, Mgr. Home Savings Dep't
The Bank that Went Into the $500,000.00 Class Within Three Years After Its Organization
AND A FEW OF THE REASONS WHY

FIGURE 7

PART TWO. The Hartford Courant PAGES 11-20.

SUCCESSFUL CAREER OF THE ÆTNA BANK

FIGURE 8

subscribers suggestive in a community where such things count for so much. Analysis

The trust companies have done excellent work in proving the value of newspaper and general mediums to financial institutions, and now some of the banks such as I have called attention to in this chapter, appear to be grasping the opportunity and making better use of it than their teachers.

Trust company advertising will receive specific attention in another chapter.

CHAPTER IX

THE BANKING AND FINANCIAL "TRADE" PRESS IN FINANCIAL ADVERTISING

TWO KINDS OF TRADE OR CLASS PUBLICATIONS—THE FREE READER EDITORSHIP—THE WAY SOME PUBLICATIONS ARE RUN—THE WANT OF AN EDITORIAL POLICY—FALSE BASIS OF APPEAL—THE WALL STREET JOURNAL—THE STAND-PAT DOCTRINE LEADS TO REVOLUTION—EDUCATION OF BANKERS—TIMIDITY AND HESITATION—THE WAY OUT FOR THE BANKING PUBLICATION—ANALYSIS OF TYPICAL PUBLICATION—POLITE GRAFT IN BANKING CIRCLES—THE WHOLE CASE UP TO THE BANKER—THE SILLY SPECIAL NUMBER—THE ABSURD RATES—THE ILLUSIVE CIRCULATION—SOME INTERESTING FIGURES AS TO WHAT BANKERS READ—WHAT THEY THINK OF WHAT THEY READ—THE LOGIC OF CIRCULATION—TYPICAL BANK ADVERTISEMENTS IN CLASS PAPERS—THE RIGHT KIND OF ADVERTISING IN BANK PAPERS—THE COUNTRY BANKER—COLLECTION BUSINESS

The Place of the Class or Trade Paper

NEARLY every line of trade and every profession has one or more publications devoted exclusively to its interest. These publications are generally called "trade" or "class" papers.

As with any publication there must be a public with a want to satisfy before a publication can exist. These papers fill a place.

The class paper must either contribute to the fund of information on its specialty, as an authority, or reflect the personality of the interests it serves, else it sinks into the category of commonplace and has no influence. A publication that has no influence for good has very little value, granting, however, that it may be able to do some harm; but it has been my experience that papers that would do harm if they could, soon lose any capacity for it.

It must be an accepted authority in its field, and because of that it will be found (outside of the medical profession, whose ethics require the most important work to be given to its publications either gratis or for comparatively small returns) that the class paper having the widest and greatest influence, pays as much, if not more for its editorial matter than is paid by the popular monthlies.

Right here, however, is the line of difference between the important and the commonplace class publications.

Too many class papers are run for the profits first, last and all the time.

Their columns are offered frankly and freely to any advertiser who will pay for them.

The ideals that should actuate the men who practice any profession, as those which stand for the best achievement in any line of business, must give way to the requirements for money and profits.

It does not require much editorial experience or ability to supervise the copy of advertisers who are permitted to use the columns of a publication as they wish. Some class papers will give a contract stating just how much "free reading matter" goes with every inch of space used.

How Some Trade Papers are Edited

Another advertising representative will say, "Do not run down any of our advertisers is all we ask," as an indication of the careful way in which the reading columns are edited!

Recently while sojourning in the Canadian Highlands I was in almost daily contact with a former editor of an American banking publication. In discussing the editorial management of a certain financial periodical, he said: "Yes, Mr. Blank took out of the paper about $1,000 a month. My salary was $20 a week and I did not have to give all my time to the paper, so I ran a business on the side. You know we got most of our material from the clipping bureaus, market letters from bond and stock houses, and all I had to do was to make it hang together and not let the news matter conflict."

"Didn't you have an editorial policy?"

"Oh dear, no, it didn't pay, because we didn't know what time some advertiser would object, or that it might interfere with getting some excellent new business."

"Well, what *did* you stand for?"

"For the American banker. He used us to voice his opinions—he could use our columns as he saw fit, provided he didn't bind *us* to anything. We got a great deal of copy from the association meetings where bankers made speeches."

The Weakness of Old Time Practices

It was the same old story of the old-time trade papers, with their special editions to commemorate every conceivable happening from the death of an old bank president to the annual trip of the country bankers to the state capital.

Too much business has been solicited and given on the "help your representative publication" basis. Through it all some publications have shown a surprising indifference to the needs and wants of their real public, their subscribers, by consistently catering to the advertiser alone.

In other lines the old-style class papers have been gradually giving way to publications, published and edited by highly organized staffs of specialists who conduct such publications as "Power," in the engineering field; "Machinery," in the machinery field; "Dry Goods Economist" in the retail dry goods field and a few others.

It is regrettable that the financial field can point to so few publications that are really up-to-date, aggressive, able and entirely trustworthy as a reflection of our financial standing in the world.

A Powerful Daily Rightly Conducted

Probably "The Wall Street Journal" enjoys as a daily financial and commercial paper, the best of reputations for probity and general excellence of contributed matter. It's attitude is the right one—get the news, get the truth and publish what is best for the business public's good, irrespective of the individuals it hurts or the particular interests it offends.

This course does not mean that a publication must be iconoclastic, or rabid or partisan. It calls for judgment and sound sense and competent knowledge on the part of those who direct its editorial policy. The man who hasn't sense and judgment and knowledge has no right to occupy an editorial chair. Above everything we want sanity and honesty in our financial press.

Well enough is *not* good enough.

As times change policies and systems must change to meet new conditions and fulfill new requirements. Only the veriest blind man will preach contentment and the "stand pat" doctrine, when events and men are not standing pat.

If we must have change, let us have it guided and directed by men of intellectual power, resource, experience and unimpeachable probity.

We must remember that even in this country, we have had waves of public clamor and excitement that frequently came near to sweeping things free into the flood tide. In every commonwealth there is that leaven of class ignorance and ill-digested theory, which will take more than words to stop when once it finds its strength and gathers enough cohesion to fructify into action.

The Power of the Minority

The one great leverage that wisdom and education and intelligent capacity has over the mass, is its cohesion and unity. The minority has thus swayed majorities from time immemorable. Do not let me be

misunderstood, this does not mean that the minority was immoral or unjust or selfish.

History shows that in the beginning the American colonies were swung by an intelligent and resolute minority into rebellion.

The same is true of the wars in South America, where a thousand resolute men can start and accomplish a revolution in almost any country on the equator. The House of Lords in England, and our own Senate, are typical instances, of what the solidarity of a body of men actuated by a common and defined impulse may do against a divided and uncertain majority.

The Failure of the Mute Minority

A mute minority can accomplish but little. It must have the best brains, the most facile and felicitous pens at its command. That these have sometimes been the bulwark of immoral and greedy special privilege in this country, is no reason why right and justice should not have brains and accomplishments also.

To fight effectively for sanity and right thinking on things financial, we must make use of the press. We must educate the banker as well as his public. Travel from the Atlantic to the Pacific and study the banker in his native habitat, especially the country banker whose dollars sent to the centers of commercial activity make it possible to float the great enterprises, and you will understand why it is so difficult to get unity of action—because the average banker is not sure of his knowledge.

The buying and selling of credit, which is the banker's business, is a matter that is freighted with so much of vital and far reaching import to the people at large, that the states and the general government have regulated it. Yet we have sound finance too little understood by the bankers themselves, and that little too leniently accepted for what it appears to be by the public.

I shall not repeat what I had to say in the chapter devoted to the "Banker's Duty to His Public." It requires no repetition if you have gone thus far with me.

I have made some repetitions because the need of a greater activity on the part of the financial class papers seems to me to be necessary.

Profitless Philandering

They have influence, presumably, or they would not be published. Yet we see so little that is alive, tense with the human interest of our every-day banking life, that we must feel, now and then, as if we were losing precious time in profitless philandering with small issues.

Some Publishers Afraid to be Original

Some publishers say to me, "We are afraid to do these things. We know we should go under the surface, catch a sentiment and popular movement in the making, but we are afraid."

Afraid of what?

Of the advertisers? Surely not!

Then of what? Of the financial community who look on anything new as strange and to be decried, and adversely judged.

I know that it was the same criticism made of the first banks to advertise in the daily press. Go back five years and read what some of the banking papers said about them.

That was natural. The banking press had been bred to look at things in that way.

"We Must Make Money," They Say

The publisher of the bank paper says: "Yes, that is all well enough, but I must make money or I can not publish my paper. I am not here for any philanthropic purpose, but to make a living at least and a profit if I can."

Good enough, but here is where that terrible ogre, "Dignity," that haunts the alleys of things financial, eager to scare the wits of children who stray from the main road, has so many of the financial editors bluffed.

There is no ogre, let me assure you! I have been down the byeways and looked for him. He isn't there—he has flown with Jack-the-Giant-Killer, Blue Beard and all the rest of the dear old story-book folks.

I venture to say that many of the banking publications would adopt an editorial policy, pay for live articles from reputable men, and contribute something to the subject of better and greater banking if they were not afraid they would be termed "unsafe."

Let me assure them of one thing.

It is Going to Be Different

The day is dawning and banking is going to be a business as well as a profession.

Today is the time to throw away the shears and pastepot, raise the editor's salary and go gunning for the kind of gray matter, literature, and comment that make people think.

That this is not overdrawn, let us look over a few banking publications.

A Typical Makeup

In paper after paper we find columns of personalities and the academic discussions of financial problems. Here is the make-up of a typical banking paper, a copy of which I have before me:

Three pages given to "personals."

Three pages to "puffs" about banks.

Two pages of statements.

Thirteen pages of advertising.

Two pages of editorials discussing Washington financial topics.

One page to correspondence from New York and Chicago.

All this matter fails to reflect anything of the agitation on corporate control.

There is no suggestion that a new president was in the making.

There are no articles on new methods of keeping the records nor improvements in banking systems. There is no reflection of the awakening on banking publicity questions.

No reflection of the changes going on in the relations of Trust Companies and Banks.

No discussion of new banking statutes.

Nothing to Show What was Being Thought

In the whole magazine there is not a single authoritative article on anything. When it is not sugar-coated laudation of some obscure banker, it is cold, vapid, useless talk on text-book subjects, yet at the published advertising rate this issue carries over $2,000 worth of business, from the largest banks and trust companies in the country.

Why is this the condition with so many of the banking publications?

Off hand I should blame it on the banker. He is afraid of the man with opinions, good, bad or indifferent, which drives the man with opinions to the daily and lay press, with the result that having nothing to combat the theories with, the general public adopts them and the banker wonders at the result.

Genteel Blackmail

There is another style of banking publication, happily now rapidly going the way of all bad things, and that is the paper that promises to push your business only if you patronize its columns. The inference subtly suggested is, that it will be somewhat nasty towards you unless you do take space. Of course this is blackmail, which goes by the name of "reciprocity" in the politer circles of graft.

It is blackmail just the same.

Bankers and banking associations should squelch these papers just as quickly as possible, and run them out of business.

In October, 1906, I heard a banker at the convention of the American Association in St. Louis say: "I had a representative tell me he could do my bank good and he could do it harm—not in his publication but in his personal visits among the banks. I ordered him out of my office. I don't want my bank advertised in that man's publication. I am neither a coward nor have I anything to hide."

If all bankers adopted the same attitude there would be a healthy revival of independence and good straightforward dealing.

Why can't a bank paper depend on the character of its editorial work, its value as a news and educational medium, for its circulation?

Of course the matter of getting circulation is a business, just the same as it is with "The Ladies' Home Journal," "The Engineering Magazine," "New York Herald," but it should not be a matter of editorial personalities.

How One Publisher Gets Advertising

So close is the editorial and subscription end played up in one banking publication, that gossip reported the subscription records showed how many times each subscriber had been "mentioned," in order that the solicitor could impress the subscriber with the care with which he had been "cared for" when a renewal was asked.

There is a perfectly legitimate way to handle the matter of news, personalities and stories affecting banks. Any piece of news or any contribution should be tested by a simple formula:

Is it news?

Is it interesting?

The monthly magazine has no place for news, as such, because it can not possibly be news after waiting so long for publication. Hence

SOME LEADING FINANCIAL PAPERS

Name	Circulation*
AMERICAN BANKER	9,000
BANKERS' MAGAZINE	6,000
BANKING LAW JOURNAL (Monthly)	6,000
BANKERS' MONTHLY	6,000
BANK NOTES (Monthly)	12,000
BRADSTREET'S (Weekly)	9,000
CHICAGO BANKER (Weekly)	9,000
DUN'S REVIEW (Weekly)	7,000
FINANCIAL AGE	10,000
FINANCIAL RECORD	4,000
FINANCIAL REVIEW	5,000
MONETARY TIMES (Toronto, Canada)	6,000
MOODY'S MAGAZINE (Monthly)	4,000
NATIONAL BANKER	9,000
NORTHWESTERN BANKER	1,800
SOUTHERN BANKER	2,000
SAVINGS AND TRUST REVIEW (Monthly)	3,000
SOUTHWESTERN BANKER	3,500
TRUST COMPANIES (Monthly)	7,500
WALL STREET JOURNAL (Daily)	11,000

*These circulations are claimed and quoted from a recent newspaper directory, and are fairly indicative of their respective subscription lists.

FIGURE 1

a monthly should test all contributions by, Is it interesting and worth while?

I have been dealing with the banking publications of the better class for eight years. I personally know the editors and publishers and advertising representatives of many of such publications. I have many friends among them who will recognize these sentiments, so often expressed in their hearing.

The whole case is up to the banker.

The Obvious Duty of the Banker

Let the banker require a higher quality of editorship and editorial matter in his publications and he will get them. The practical way to obtain them is to make the banking publication the vehicle of their propagandas and their views.

Let them refuse to support the blackmailer, the incompetent and the useless.

Let them cut out the childish write-up and the stupid laudatory personals that few read, or if they do, no one believes.

Let them criticise and suggest and encourage the introduction of informing, and suggestive subjects.

Let them put a stop to the patronage of the senseless and silly special number, that is a worn out subterfuge in almost every other field but banking.

The special number ranks with the write-up editions of the daily press, the "Leading-Citizens-of-Podunk-County" scheme, which style of advertising has gradually gone out of fashion, except up in the remote neck of the woods or in some tall grass district.

The trained advertiser knows he can spend his money to better advantage in the regular edition; he knows if a publication is worth one insertion it should be worth a year's contract.

The Matter of Contracts and Terms

Mentioning contracts brings me to another matter. It is not good business to sign up contracts for two and three years, unless large inducements are offered in a money discount by publications that you know by ascertainable results, have paid you. By offering pages in special numbers, pages of free write-ups, etc., banking publications sometimes seek to obtain long-term contracts, thereby saving the cost of solicitations and personal visits.

It is not business-like for the advertiser to tie his money up so far in advance, especially when a bank generally has but a limited amount to expend in advertising.

Short Term Advertising

You should adopt the short term paper rule in your advertising, so that you may be free to take advantage of any new turn in the advertising field that may present itself.

Rates are another sore point. The publication that cuts rates is invariably open to suspicion. Are you getting the bottom rate? Are you not paying too much even when you pay less than the card rate?

The best trade publications in other lines are selling a reality and they hold to their rates consistently and pointedly.

You would not trade at a store where there were two or more prices for the same article.

You would not buy a bond which was offered at one price to you and at another to your brother, unless in the open market under the hammer, and then you would buy it on a speculative basis.

Buying Space Should Not Be a Gamble

Buying advertising *space* should not be placed on any such gambling basis.

On another page (Figure 1) I show a list of those publications most conspicuous in the field of finance and commerce.

Their circulations are not fixed with the same degree of accuracy as the circulations of magazines published in the popular field.

While it is true that circulation as to quantity, is not so important as circulation as to quality, yet it is important in the case of banking publications to know something of its exact size.

The method of charging from fifteen to forty per cent. more for three or four insertions than for insertions on a yearly contract, makes it important to have a pretty clear conception of exactly what circulation a bank publication may have.

Sworn Circulations Should be the Rule

There is no reason why circulation should not be stated in a way to satisfy the most exacting. Sworn statements of circulation are the rule in newspaper and magazine fields among publications of any standing and patronage.

That some of it is a sworn falsehood goes without saying.

"Other Papers Do it"

I have had the excuse given that "a manager has to lie about circulation; they all do it, and I have to do it or appear small and insignificant by comparison. Most bankers who ask for circulation are impressed by large figures, and won't trade if the figures are small."

Of course, this condition is due to the ignorance of advertisers.

If you want to advertise in a publication ask for its circulation.

Get figures, and if you doubt the statements, ask for the figures in certain districts. The manager of a publication should welcome these tests. He will if he wants your business on a fair return basis.

If he had any doubt about your being able to pay your bills he would soon ask for facts about your financial ability.

You are paying for the distribution of your message to a certain number of people.

You should get that distribution. If you paid for a boy to distribute five thousand circulars, and you found he gave out but three thousand you would not pay him the full amount, would you?

Circulating your advertisement is no different.

So far I have spoken of the unsatisfactory side of the bank publication.

The Bank Publication is Necessary

It is worth using, however. The banker and broker needs it—he needs it all the time.

It is the only regular medium he can use by which he can reach other bankers and brokers.

The publication, however, that he goes into he should insist upon being clean and of the highest financial repute.

The publication in which you put your advertisement determines your standing in the eyes of many. As another has well compared a high-grade financial publication to a high-grade social club—entrance to which is denied all those who cannot show the best standing and an untarnished reputation.

The banker who has any self-respect, if not that, just good judgment, cannot afford to be seen in the same publication with fakes and bucket shops.

In using the class paper the banker has an unusual opportunity to develop a new style and a character for himself.

Commonplace Advertising the Rule

In this class of publications the commonplace bank advertiser has had his chance. Turn over page after page of any financial paper, there are advertisements after advertisements without character in display, personality in written matter, or interest in statement.

A sample of the average style is shown in the three advertisements of Figure 2. Read them carefully.

Can you see anything there that would make you change your present correspondents?

I should think not.

The display of Figure 3 is its most striking feature, and most of us will find that objectionable because of its heavy black and white. The enumeration of the names and connections of the directors appears but an indifferent way of handling powerful facts.

Isn't Figure 4 rather a relief from the others? Yet place it beside the more definite statements of Figure 5, and I think the latter will stand the acid of cold analysis to better advantage.

Because the latter really says something.

In reading Figure 6, however, you will see the salesman's instinct appearing in the way the advertisement is worded.

There is a direct forcefulness about those two paragraphs which is rare in advertising appearing in banking publications.

Analysis

The method of showing the growth of a bank as shown in Figure 7 is always strong, but should be used as a pleasing change of copy, not as a regular diet. The readers of a banking publication do not change like the readers of a popular magazine; the same people get it month after month, hence you are coming before nearly the same audience every issue. This is ample reason why you should change your copy every issue, writing it direct to the man whom you think is to be your customer.

The right conception is reflected, somewhat tamely it is true, in the advertisement of the American National Bank of San Francisco (Figure 8). The enumeration of points of service and terms are calculated to interest and give the American consideration in placing San Fran-

NEW YORK NATIONAL EXCHANGE BANK

CAPITAL $1,000,000 SURPLUS $750,000

LEWIS E. PIERSON, President

JAMES E. NICHOLS, Vice-President

ROLLIN P. GRANT, Cashier

D. H. G. PENNY, Assistant Cashier

Collection of Bill-of-Lading Drafts Our Specialty

Foreign and Domestic Exchange Bought and Sold

A COMMERCIAL BANK IN THE HEART OF NEW YORK'S GREAT MERCANTILE CENTRE

THE FIRST NATIONAL BANK

OF BUCHANAN COUNTY

ST. JOSEPH, MO.

CAPITAL

$500,000.00

SURPLUS

$300,000.00

Unexcelled facilities for the transaction of every branch of banking.

Correspondence Invited.

EDW C SMITH, Vice-President
J F TRENNERY, Vice President

W P FULKERSON, President E C HARTWIG, Cashier

E D McALLISTER, Asst Cashier
W F MAXWELL, Asst Cashier

THE MERCHANTS' NATIONAL BANK

OF THE CITY OF NEW YORK

UNITED STATES DEPOSITORY

CAPITAL, $2,000,000.00

ROBERT M. GALLOWAY, President
ELBERT A. BRINCKERHOFF, V-President

FOUNDED 1803

SURPLUS, $1,500,000.00

ZOHETH S. FREEMAN, Cashier
ALBERT S. COX, Assistant Cashier

DIRECTORS

JOHN A. STEWART, Chairman of the Board, United States Trust Company
ELBERT A. BRINCKERHOFF, Capitalist
CHARLES STEWART SMITH, Merchant
GUSTAV H. SCHWAB, Oelrichs & Co
DONALD MACKAY, Mackay & Co
ROBERT M GALLAWAY, President
CHAS D DICKEY, Brown Brothers & Co
G SHERMAN, V-Prest Central Trust Co
EDW. HOLBROOK, Prest Gorham Mfg Co
JOSEPH W HARRIMAN, Harriman & Co
WILLIAM A TAYLOR Taylor, Wendell & Co

FOR OVER A CENTURY particular attention has been paid to Commercial and Bank accounts, and we are still prepared to extend to Mercantile and Banking institutions every facility consistent with sound banking.

The capital and surplus offer a strong reserve for our depositors, who will receive as liberal treatment as their credit and balance warrant.

FIGURE 2

BANKERS TRUST COMPANY

7 Wall Street, New York.

CAPITAL, $1,000,000. SURPLUS, $500,000.
UNDIVIDED PROFITS, $738,445.

DIRECTORS:

STEPHEN BAKER
Pres. Bank of Manhattan Co., N Y
SAMUEL G. BAYNE,
Pres. Seaboard National Bank. N Y
JAMES G. CANNON,
Vice-Pres Fourth Nat'l Bank, N Y
EDMUND C. CONVERSE,
President
HENRY P. DAVISON,
Vice-Pres First National Bank. N.Y
JAMES H. ECKELS,
Pres. Commercial Nat'l Bank, Chicago.
WALTER E. FREW,
Vice-Pres. Corn Exchange Bank, N.Y.
A. BARTON HEPBURN,
Pres. Chase National Bank, N Y
GATES W. McGARRAH,
Pres Mechanics National Bank, N.Y.
EDGAR L. MARSTON,
Blair & Co., Bankers., N Y
THOMAS W. LAMONT,
Second Vice-President
GEORGE W. PERKINS,
J. P. Morgan & Co., Bankers, N.Y.
WILLIAM H. PORTER,
Pres. Chemical National Bank, N.Y...
DANIEL G. REID,
V.-Pres. Liberty National Bank, N.Y.
FRANCIS H. SKELDING,
Pres. First National Bank, Pittsburg
EDWARD F. SWINNEY,
Pres First Nat'l Bank, Kansas City
JOHN F. THOMPSON,
Vice-President
GILBERT G. THORNE,
Vice-Pres. National Park Bank, N.Y.
ALBERT H. WIGGIN,
Vice-Pres. Chase National Bank, N.Y.
ROBERT WINSOR,
Kidder, Peabody & Co., Bankers, Boston
SAMUEL WOOLVERTON,
Pres. Gallatin National Bank, N.Y
EDWARD F. C. YOUNG,
Pres. 1st Nat'l Bank, Jersey City

Interest allowed upon inactive bank accounts and especial care and attention given to them.

E. C. CONVERSE, *President.*
J. F. THOMPSON, *V. P.* T. W. LAMONT, *2ND V. P.*
D. E. POMEROY, *Treas.* B. STRONG Jr. *Sec'y.*
H. W. DONOVAN, *Asst. Tr.* F. N. B. CLOSE, *Asst. Tr. Off'r.*

FIGURE 3

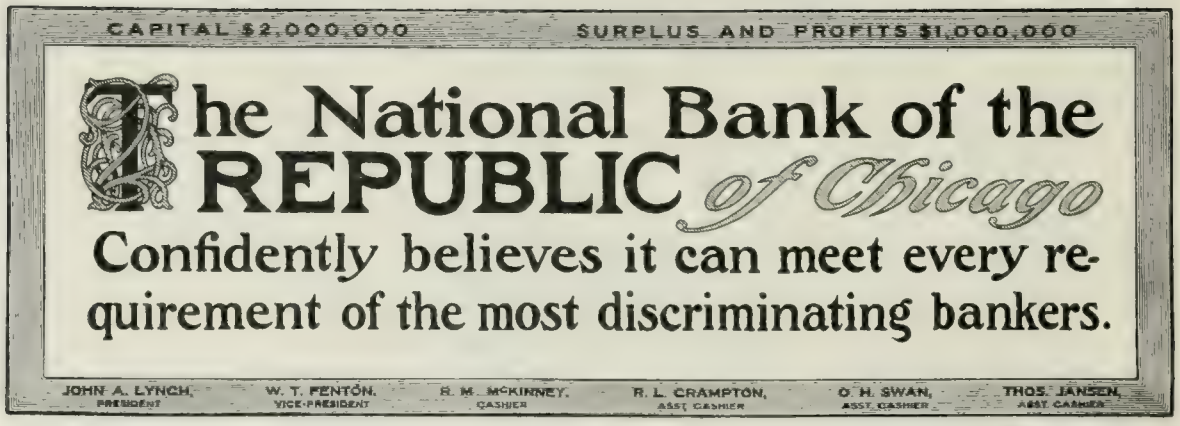
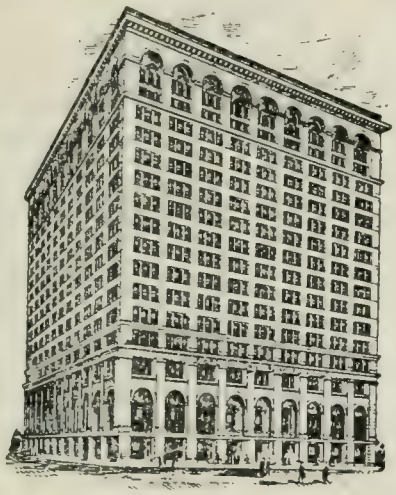

CAPITAL $2,000,000
SURPLUS AND PROFITS $1,000,000
The National Bank of the
REPUBLIC of Chicago
Confidently believes it can meet every requirement of the most discriminating bankers.
JOHN A. LYNCH, PRESIDENT
W. T. FENTON, VICE-PRESIDENT
R. M. McKINNEY, CASHIER
R. L. CRAMPTON, ASST. CASHIER
O. H. SWAN, ASST. CASHIER
THOS. JANSEN, ASST. CASHIER

FIGURE 1

James B. Forgan *President* David R. Forgan *Vice-President* F. O. Wetmore *Cashier*



THE FIRST NATIONAL BANK OF CHICAGO

Capital, $8,000,000. Surplus, $5,000,000.

Welcomes and appreciates the accounts of banks and bankers believing that its extensive clientele which has been gradually developed by more than forty years of consistent, considerate service is splendid endorsement of the agreeable and satisfactory accommodations rendered to its customers.

FIGURE 5

THE STOCK YARDS BANK

NATIONAL STOCK YARDS
ILLINOIS
(St. Louis Stock Yards.)

Our location in the very center of the live stock and horse and mule markets enables us to guarantee closer attention and quickest action on all business arising from shipments of Live Stock or Horses and Mules to the St. Louis market.

In percentage of surplus and profits to capital, this Bank ranks twenty-second in the entire United States, and second in the State of Illinois, according to "The Financier" State Bank Roll of Honor

STATEMENT OF CONDITION

SEPTEMBER 4, 1906.

Resources.

Cash and Exchange	$ 461,961.44
Loans	1,460,185.15
	$1,922,146.59

Liabilities.

Capital	$ 100,000.00
Surplus	400,000.00
Undivided Profits	54,684.23
Deposits	1,367,462.36
	$1,922,146.59

PRINCIPAL STOCKHOLDERS.

EDWARD MORRIS,
Of Nelson Morris & Company.
L. F. SWIFT,
Of Swift & Company.
EDWARD F. SWIFT,
Of Swift & Company.
EDWARD TILDEN,
President Libby, McNeill & Libby.
C. G. KNOX,
President.
SNELSON CHESNEY.
Cashier.

THE STOCK YARDS BANK

NATIONAL STOCK YARDS
ILLINOIS
(St. Louis Stock Yards.)

FIGURE 6

FIDELITY TITLE & TRUST CO.

Capital, $2,000,000.00 Surplus, $3,000,000 00 Undivided Profits, $1,932,912.41

GROWTH OF DEPOSITS	GROWTH OF TRUST DEPARTMENT
October 31, 1896. $1,328,941.93	October 31, 1896 $12,949,832.03
October 31, 1897. $1,789,387.70	October 31, 1897 $16,108,809.59
October 31, 1898. $2,317,537.76	October 31, 1898 $19,017,662.75
October 31, 1899. $4,798,816.89	October 31, 1899. $20,627,244.41
October 31, 1900. $4,423,689.96	October 31, 1900 $24,239,975.86
October 31, 1901. $5,351,847.10	October 31, 1901 $26,666,867.93
October 31, 1902. $7,047,572.12	October 31, 1902 $28,745,596.32
October 31, 1903 $6,459,255,72	October 31, 1903. $33,864,707.10
October 31, 1904 $7,431,738.71	October 31, 1904 $36,977,314.89
October 31, 1905 $7,924,583.70	October 31, 1905. $39,291,627.29
October 31, 1906 $10,032,066.09	October 31 1906 $46,623,321.59

OFFICERS:

President JOHN B. JACKSON
Secretary JOHN McGILL
Asst Sec'y-Treas. EUGENE MURRAY
Auditor THOMAS R ROBINSON

Vice President JAMES J DONNELL
Treasurer C E. WILLOCK
Trust Officer C. S. GRAY

Vice President ROBERT PITCAIRN
Asst. Sec'y-Treas J. A. KNOX
Asst. Trust Officers A. F. BENKART
MALCOLM McGIFFIN

DIRECTORS:

JOHN B. JACKSON
JAMES H. REED
ALBERT H. CHILDS
WILSON A. SHAW
JAMES J. DONNELL
H. S. A. STEWART
DURBIN HORNE
EDWARD T. DRAVO
REUBEN MILLER
D. LEET WILSON
ROBERT PITCAIRN
JOHN R. McGINLEY
FRANK SEMPLE
C S. GRAY
J STUART BROWN

FIGURE 7

WE OFFER
To Country Banks

Two per cent interest on daily balances.

Acceptance at par of all cash items, and credit on the day of receipt.

Payment for eastern and foreign exchange at current rates.

Prompt handling of collections.

Quick and courteous service in all particulars.

AMERICAN NATIONAL BANK
Of San Francisco, Cal.

FIGURE 8

cisco business. The question of reading matter is of course important. News about the movements of your officials, and reproductions of their speeches and articles containing their views, are advertising worth having. That you should endeavor to get such publicity goes without comment, but merely sending inane personals of no interest to any one but yourself, reflects no credit on you or the publication.

Is it Worth Reading?

It is worth your while to be worth quoting. It takes something more, however, than an advertising contract to make an article worth reading.

I am sure I have but to ask you to tell me what particular banking publication you read, to consistently bear me out in what I say.

Remembering that you are talking to bankers, brokers, trust company officers and the like, your bank publication advertising calls for no different style of treatment than your newspaper or lay magazine work.

The problems of attracting the attention, making it interesting and persuading to action is the same.

The country banker can frequently use the banking publication in a small way for establishing collection and correspondence relations.

The small space can be used, and to advantage. There are comparatively few banking publications of national circulation. Many are strong in one or more sections of the country, and there are several up-to-date small sectional publications that can be used to advantage by the country banker.

For instance, the country banker in a territory tributary to Minneapolis and St. Paul, from whence comes the collections of the large wholesale and jobbing houses, and the growing manufacturing interests of the twin cities, could advertise in a publication like "Commercial West."

What One Inch Space Can Do

A one-inch, single-column advertisement should be ample, and prominence should be given to the words, "Collections in North Dakota," or whatever your particular section may be. The same rule would apply to the banks in any agricultural community, depending on a single wholesale and jobbing point, or the city where manufacturers depend on the community for their raw material, such as Minneapolis flour mills that depend on the farmers of the northwest for the wheat they use.

Properly managed, the collection business can be made a profitable method of increasing business, and the country banker can use his com-

mercial or banking publication for the vehicle by which he can get in touch with the sources of the business.

The central reserve agent can always use the banking publications to increase his line of correspondents and accounts.

This work has always been left to suggestion and has been approached by indirection.

Service is All-Important to Correspondents

The publication can help to procure good business if the methods and service are made to appear better and more business-like. Some city bankers still cling to out-of-date and annoying red-tape methods, delaying beyond due limits the business they have promised to handle in a business-like way.

The city bank that will make its service business-like, rapid, accurate, intelligent and careful, and that will advertise these methods, will gain business and confidence beyond the shadow of a doubt.

During the forepart of 1908, a prominent user of banking publications sent a letter to fifty bankers in each State and Territory in the Union. These were about equally divided between banks with over $100,000 of deposits and banks with less than that sum. This letter asked for specific information on three questions:

First. What banking publications do you pay a subscription price for?

Second. What banking publications do you read the most?

Third. What banking publications come to your office free of charge?

For the purpose of our present discussion, the first and second questions alone are of any material importance. On another page we show the figures covering the answers to these questions (Figure 9). These answers came from a total of a little over 50 per cent. of the bankers to whom the letter was sent.

Some Facts and Figures

One of the publications showing up most advantageously in the returns, was a house organ issued by the publishers of this volume. Of course, this is not incorporated in the statistics because the figures are not important for our purpose, as the publication does not carry paid advertising from outside concerns.

While statistics are not given on the question of what publications were received free of charge, yet it was noticeable that the publications

	Question No. 1	Question No. 2
Bankers Monthly	324	94
American Banker	311	250
Bankers Magazine	205	263
Southern Banker	113	67
Banking Law Journal	104	81
Financier	88	43
Financial Age	83	65
Commercial West	74	58
Wall Street Journal	63	57
Pacific Banker	63	52
Commerce Monthly	56	42
Northwestern Banker	54	32
Southwestern Banker	54	46
Daily Banker and Stockholder	54	
United States Investor	54	37
Financial Review	54	38
Confidential Banker	41	
Chicago Banker	39	36
Western Banker	31	6
Banking and Mercantile World	30	10
Bulletin of American Institute of Banking	23	10
Banker and Tradesman	19	20
Money	17	14
Wall Street Summary	15	
Mercantile Adjuster	13	3
American Bank Reporter	16	3
Michigan Investor	12	9
Van Norden Magazine	11	4
Finance	11	8
Moody's Magazine	10	3
Bankazine	12	
Journal of Commerce	11	11
Financial Section of New York Times	9	
Economist	9	
Texas Banker	10	12
Financial World	10	4
Bank Advertiser	10	5
Dun's Review	6	4
The Commercial Bulletin	6	2
Texas Bankers Journal	6	4
The Banker	5	
Clearing House Quarterly	5	2
Rhodes Banking Journal	5	3
Financier	5	43
Bonds and Mortgages	4	1
National Banker	4	1
Trust Companies	4	1
Michigan Banker	3	1
Oklahoma State Banker	3	3
Monetary Record	2	
Capital	1	
Nebraska Trade Review	1	
Bankadote	1	1
The Bulletin	2	2
Banker and Investor	1	1
Bankers World	1	
Bankers Review	1	1
American Journal of Banking	1	
Finance and Trade	3	1

FIGURE 9

showing up to the least advantage under the question, "What banking publications do you read the most," were generally those which were reported as being paid for.

This in indicative of a principle, well known to trained advertising men, that *sample* and *free* copy circulation is absolutely worthless to advertisers.

Another important item to be considered is that while the "Bankers' Monthly," which is published by a directory house, and a subscription to which is generally included with the directory, is indicated as having the largest circulation, slightly exceeding the magazine standing No. 2, yet the publication standing No. 3 in point of number of circulation, stands first from the point of being read the most.

What these Figures Show

Any disinterested analysis of the editorial conduct of the publications on this list will bear out what I have said in the forepart of this chapter relative to editorial conduct.

The magazines that are read the most are the liveliest, the most aggressive and have the most decided policies from an editorial standpoint. Those which apparently receive the least consideration are those which are weakest from an editorial standpoint, and those which stand at the bottom of the list are those largely made up of reading notices and pre-mortuary obituaries.

If the story told so eloquently in the figures on another page could be impressed upon the average editor of a financial magazine, it would result in a much needed reform in the character of their editorial work.

CHAPTER X

THE USE OF GENERAL MEDIUMS

WHAT IS A "GENERAL MEDIUM?"—THE NUMBER AND KINDS OF PUBLICATIONS IN AMERICA—GENERAL MEDIUM OF LIMITED INTEREST—DIFFERENCES OF APPEAL—ANALYSIS OF THE FIELDS OF USEFULNESS—WHY PEOPLE REQUIRE MORE PUBLICATIONS—PROMINENT PUBLICATIONS AND THEIR CHARACTERISTICS—CLASS PAPERS AND THEIR VALUE—HOW TO JUDGE A MEDIUM—GETTING ACTION—THE MAIL ORDER BANKER—ADVERTISING RATES—HOW RATES ARE FIGURED—HANDLING ILLUSTRATED COPY FOR MONTHLIES—HOW ONE MONTHLY GOES AT THE QUESTION OF RATES—THE MEDIUMS THAT HAVE PAID BEST—THE IMPORTANCE OF GOOD COMPANY IN FINANCIAL ADVERTISING—HOW TO GET AT CIRCULATION

Publications Having a General Circulation

A GENERAL advertising medium is a publication which appeals to people in general, and is applied to the monthly or weekly publications having a national circulation. "Colliers," "Saturday Evening Post" and "Harper's Weekly," are weekly general mediums, while the "Ladies' Home Journal," "McClure's," "American Magazine," "Cosmopolitan" and "Munsey's," are monthly general mediums.

Newspapers are rarely considered general mediums, although such publications as the "Chicago Sunday Tribune," "The New York Sunday Herald" and the Hearst Sunday newspapers, have circulations so widely scattered that they may be considered general mediums. A number of daily papers publish, on a co-operative basis, the "Associated Sunday Magazine," which they distribute as the illustrated section of their Sunday edition. This magazine might be called a general medium.

Some advertisers may be misled by the term "general," and think that a publication must be of general interest. In point of fact, general publications in most cases have classes of people to whom they appeal as distinctly and separately as any of the most restricted class publications.

The average daily newspaper, however, is confined necessarily to a comparatively small radius of territory and its influences are localized. For that reason it is called a local medium.

The general mediums may be, therefore, subdivided into certain weekly illustrated papers and the monthly magazines.

The 1907 newspaper directories (American and Ayer's) showed a total of 23,595 different publications, of which 17,026 were weekly publications, principally local weeklies; 2,814 were monthly publications, and of the class publications, 952 were religious, 307 were devoted to agri-

Some Statistics

culture, 239 to general literature and magazines, and the rest were scattered among various different lines of special interest. The total circulation of each issue was 114,299,334 copies, and they circulated in a year of 12 months, a grand total of 8,168,148,749 copies, or enough to give every man, woman and child of our population 107 copies each in a single year. Statistics gathered for 1903 showed that there were 199 copies of dailies, 524 copies of weeklies and 520 of monthly magazines for every 1,000 inhabitants. These figures are mainly interesting to show the tremendous potential power of the press.

They are interesting to the banker as indicating what an opportunity he has at hand for the cultivation of a public opinion.

The general medium is of very little interest to the small banker who wishes to advertise for deposits, and whose local condition does not make the money market very active. The principal purpose to which the small banker can put the general medium is placing himself in touch with small capital at distant points, which seeks to gain more for its possible investment than can be procured in its local fields. For instance, the money saver in Pennsylvania, New England, New York, New Jersey, where the average rate of interest on mortgages and stable collateral ranges from 4½ per cent. to 6 per cent., is ripe for the banker in Montana where 6 per cent. to 8 per cent., or in the South where 7 per cent. to 8 per cent. is paid on collateral just as safe and stable as he could obtain at home. Of course, the principal drawback to such investments is the inability of the lender to keep in touch with the property represented in the bond and mortgage.

The 4% Mail Order Advertising

A number of savings banks in the North, making a specialty of southern investments, pay 4 per cent. to 4½ per cent. on savings deposits, in turn loaning the money on mortgages in southern and southwestern sections at 7 per cent. and 8 per cent. They afterwards market their mortgages to release the capital, and in this way obtain a satisfactory business.

In general, however, the high-priced general mediums have very little attraction for the small banker. He is rarely in a position to make the interest rate attractive to the possible customer, and again, he can offer so little in the way of capital and standing as an inducement for the small saver to withdraw his deposits from the bank in his home town that there is little for him to gain by the use of general mediums.

The trust company, however, has been able to use the general mediums to greater effect than the national bank. In fact, the vast

majority of those who use the general mediums are trust companies and savings banks. The manner in which these are used to best advantage is treated in a separate chapter on mail order problems, where banking by mail will receive extended consideration.

Making a Selection Among National Mediums

The main thing to which I wish to direct your attention is the difference between the general mediums, and why one is more effective than another. When we consider that there are 2,814 publications in the monthly field, we will commence to appreciate that even in the field of monthlies there must be a very noteworthy difference between the publications, considering the enormous circulation that the more prominent enjoy.

In the first place, a careful analysis of the different monthly magazines will show, even among those which have almost similar circulations so far as number is concerned, a marked distinctive quality.

Let us consider for a moment twelve of the most prominent.

First in point of circulation is the "Ladies' Home Journal," distinctly a woman's publication. Next comes the "Delineator," another woman's publication. These two magazines are entirely different in their appeal. The "Ladies' Home Journal" has, for a number of years, stood for the most conservative tendencies of the American home; appealed to the home woman, and has conspicuously held the position of largest circulation and result producer for the highest grade of advertising appealing to the home.

The "Delineator," on the other hand, is no less important and powerful in a field not so completely identified with the home, having in a way a greater claim on the attention of those who live in and are a part of the great world which caters to woman-kind in her dress, her furnishings and her daily material interests.

Analysis of Publications

Next, let us consider "Century," and "Harper's," two publications standing in a class by themselves for conservative literary tendencies, and catering to the tastes of the educated American man and woman.

"Scribner's" has stood in a middle ground between what is strictly known as the popular magazines and the more conservative "Century" and "Harper's."

Next we have "McClure's," "Everybody's" and the "American," with "McClure's" representing the more conservative element, the "American" somewhat similar in its tendencies and characteristics, and

SOME LEADING MAGAZINES

AMERICAN ILLUSTRATED MAGAZINE	300,000
ASSOCIATED SUNDAY MAGAZINE	1,100,000
CENTURY	150,000
COLLIER'S WEEKLY	568,000
COSMOPOLITAN	400,000
DELINEATOR	950,000
EVERYBODY'S MAGAZINE	600,000
HARPER'S MONTHLY	150,000
HARPER'S WEEKLY	80,000
LADIES' HOME JOURNAL	1,089,000
LESLIE'S WEEKLY	85,000
LIFE	65,000
LITERARY DIGEST	110,000
McCLURE'S	400,000
MUNSEY'S	500,000
OUTLOOK	94,000
SATURDAY EVENING POST	975,000
SUCCESS	303,000
SYSTEM	60,000
WORLD'S WORK	80,000

*Circulation figures are approximated.

FIGURE 1

Analysis of Publications

"Everybody's" more agressive and journalistic in its policy. These three publications have succeeded in arousing the typical American business man as no other class of publications have succeeded in doing. They represent the journalistic movement in popular magazine work, which treats the topics of the day in a larger and more consistent manner, without the prejudice of local newspapers. Being without political affiliations, they have been free of that bias which the average American newspaper may reasonably be charged with exhibiting in almost everything.

In the next class we have "Munsey's" and the "Cosmopolitan." "Munsey's" has always been the magazine of the masses, enjoying a large circulation, making a great feature of illustrated articles and catering to the better taste in personal journalism. It has enjoyed a unique position in the magazine world and has been very highly regarded. The "Cosmopolitan" has always been identified with a more or less radical editorial outlook with respect to literature, art and politics, and has enjoyed a very wide influence among the more advanced thinkers and doers.

These publications represent the most aggressive, most widely distributed and most influential class in the monthly field.

If we consider the most typically conservative literary publication in this country, we no doubt will immediately think of the "Atlantic Monthly," published in Boston and having a comparatively small circulation among those who desire literature undiluted.

While all these publications have a difference of editorial point of view and express comparatively different editorial ideals, yet the typical American is most catholic in his tastes and we frequently find two or three magazines going to a single home. Many American families have five and six publications to which they regularly subscribe.

The Family Subscriptions to Magazines

Time was when certain publications were considered a necessary family expense, and their subscriptions were renewed consistently on the 1st of each January year after year. These publications have retained to a very large extent such clientele, but the American family is not as consistent in its allegiance as it used to be. We find today that in the multiplicity of publications, and the inability of the average family to spend an unlimited amount in subscriptions, that one or two magazines will be taken one year and the next year something new will be substituted for one or both. Of course, there remains a very large number who remain faithful to a favorite year in and year out.

30 THE SATURDAY EVENING POST October 19, 1907

IN THE OPEN

The Public-Schools Athletic League

Crusaders for the Common Health

Rifle-Shooting for Boys

YOUR SAVINGS

Irrigation Bonds as Investments

The Meaning of Safe Deposit

SAVING

SAVANNAH TRUST COMPANY

What is the Best Investment? It is one that grows.

The Trustee Securities Co.

6% INVESTMENT BONDS

FARSON, SON & COMPANY

J. S. BACHE & CO.

GEO. H. HEAFFORD, LAND BROKER

BANK Advertising Copy

ALBERT HANSON

FIGURE 2

THE SATURDAY EVENING POST
21
TITLE GUARANTEE AND TRUST Co
Railroad Bonds
Spencer Trask & Co.
75% PROTECTION
5% ON DEMAND DEPOSITS
6% ON TIME DEPOSITS
Investment Securities Are Now Low
ADAMS & COMPANY
BANKERS
13 Congress Street, Boston, Mass
Careful Investors 5%
INDUSTRIAL SAVINGS BANK
Safety in Tax Bonds
Earning Money
The Curtis Publishing Company
Philadelphia
BANKING BY MAIL
6%
And Safe
CUBA
The Pearl of The Antilles
Financing An Enterprise
6% CERTIFICATES of DEPOSIT
SALT LAKE SECURITY & TRUST CO.
SALT LAKE CITY

FIGURE 2

Particularly is this last true in the matter of women's publications, such as the "Ladies' Home Journal" and the "Delineator," where the choice is more restricted.

I show a list (Figure 1) of publications generally conceded to stand at the head in the different classes of publications.

Turning to the weeklies we have "Collier's," "Harper's Weekly," "Leslie's Weekly," "Saturday Evening Post," "Literary Digest" and a host of others.

The Two Great Weeklies Compared

Conspicuous for the size of their circulation comes the "Saturday Evening Post" and "Collier's." The "Saturday Evening Post" is to the weeklies what "McClure's" is to the monthlies, representing the live, intelligent, broad-minded American business man. It has lately given a great deal of its space to discussing in an independent way, with very little editorial bias, the live business questions of the hour. Its circulation, by the latest figures, is given as 975,000 copies a week.

"Collier's," on the other hand, has adopted a more aggressive attitude on public questions, and has maintained several very bitter campaigns against what it has considered the evils of the day.

It is impossible for any publication to adopt a highly distinctive attitude on a subject about which there may be two opinions, without making partisans. This, from the standpoint of the advertiser, is helpful in the sense that he can very easily determine whether he wants to appeal to the particular class of people who side with the editorial mind. "Collier's" is generally credited with a circulation of between five and six hundred thousand copies a week. It is conspicuous for many artistic features. It attempts to give the best of fiction and art to its readers, and no doubt appeals to many intelligent and wealthy families. Its larger circulation, however, is among the middle classes, because of its book premium subscription plans.

"Harper's Weekly" represents in its editorial attitude the more conservative business man, and is supposed to reflect the opinions of the commercial East.

This is Just a Suggestion of the Difference

While these distinctions may be somewhat arbitrary, yet they are in a degree a reflection of the general opinions with respect to the publications I have noted.

I shall not attempt to analyze, even in this superficial way, the host of other publications that might be very fittingly the subject of considera-

tion at this time. I simply want to suggest to the banker who is contemplating the use of general mediums, that a knowledge of the class of people among whom any monthly magazine circulates is of very considerable moment to him, in determining the extent of its circulation among his possible customers.

Who Does it Reach

Just as has been said about banking publications and local newspapers, the value of a publication is determinable only by the number of your possible customers it reaches. It may have a tremendous circulation among a class of people from whom you can not possibly hope to receive any adequate return. On the other hand, there are certain publications representing such a distinct class of the public that there can be no doubt of their value to the banker who will make a consistent use of them in advertising certain of his commodities.

Among the publications of less circulation than those mentioned in the above, we have "World's Work," with a title that indicates its editorial scope, an excellent medium for the sale of high-grade bonds, investments, mortgages, and for the mail order banker who has a special method of handling certificates of deposit.

There are other monthly publications that fall really within the line of class publications, such as "System," and "Business Man's Magazine," and a number of other magazines of similar character.

The Passing of the Religious Paper

In addition, we have the religious press, which at one time was one of the most influential classes of publications in the country. With the change that has become noticeable in religious thought during the past twenty years, the religious press, strictly so-called, has lost much of its power over the thought of the country. Publications that were formerly conspicuously devoted to religious discussions, have now opened their columns to the ethical discussion of the problems of the day.

Conspicuous among these are the weeklies, the "Independent" and the "Outlook." Both of these publications have a very devoted following, and financial advertising in them, particularly that calling for investment, has been found profitable.

You Notice it

The banker who is a careful reader of the monthly press will notice therein tendencies of discussion of public questions that should lead him toward a policy that would result in a selection of magazines whose readers would most likely answer to any appeal that he might make. The individuality of magazine readers is reflected in the editorial individual-

256 MAGAZINE

Position of the
SECURITIES
MARKETS

4 to 7

N. W. HALSEY & CO.
BANKERS
NEW YORK PHILADELPHIA
CHICAGO SAN FRANCISCO

Special Circulars

SHORT TERM NOTES

INVESTMENTS

5 to 6½

RAILROAD BONDS

Spencer Trask & Co.
William and Pine Sts. New York

Hints to Investors

Conducted by CHARLES LEE SCOVILL

FIGURE 3

November, 1907 757

IS IT TIME TO BUY BONDS?

Investors throughout the country are seeking an answer to this question

In order to present the principles that control the market value of investment securities and to point out the indications which should be followed in determining whether or not present conditions are favorable for the purchase of bonds the Guaranty Trust Co. has prepared a booklet entitled

"When to Buy Bonds"

which will be mailed on application. **This booklet should prove of great value to all who have funds to invest.**

Send for Booklet No. 20.

GUARANTY TRUST COMPANY
OF NEW YORK
28 Nassau Street, New York
Established 1864
Capital $2,000,000 Surplus $5,500,000

An Investor's Safeguard is A Reliable Banking House

The average investor has not the time or experience or facilities to pass judgment on the underlying conditions of a bond issue.

Our 31 years' experience in buying investment securities is at your service.

Our offices in Boston, Chicago, Denver and San Francisco keep us in close touch with all parts of the country.

We have a new issue of bonds—some of them at **$100 each paying 6%**; (Circular No. 942 A will give you full particulars.)

Careful investors will do well to write for our latest ten page circular describing *Gilt Edge of Municipal, Railroad and Corporation Bonds.*

Send for Circular No. 846 A

Refer to any Banker or Trust Company

E. H. ROLLINS & SONS,
21 Milk Street, Boston
ESTABLISHED 1876
CHICAGO DENVER SAN FRANCISCO

THERE ARE MANY HIGH CLASS SECURITIES LISTED ON THE NEW YORK STOCK EXCHANGE SELLING BELOW VALUE WHICH IF BOUGHT *OUTRIGHT* NOW WOULD YIELD ATTRACTIVE INCOME WHILE CARRIED, AND SHOULD EVENTUALLY ADVANCE MATERIALLY IN PRICE. WE SHALL BE GLAD TO CORRESPOND WITH YOU ON THE SUBJECT

Inquiries Invited from Out of Town

J. S. BACHE & CO
(Members New York Stock Exchange)
BANKERS 42 BROADWAY NEW YORK

An Interesting Booklet
"The Problem of the Small Investor"
Will be sent to any Investor upon request

SWARTWOUT & APPENZELLAR
BANKERS
Dealers in High Grade Investment Securities
40-42-44 PINE STREET NEW YORK
Chicago Philadelphia Grand Rapids Dallas

Underlying mortgages [illegible] mortgage bonds [illegible] of prior mortgages on the property. This advertisement is offered to your mortgage bond [illegible] that there are other mortgages on the property having a prior claim. When [illegible] offered a prior mortgage bond or underlying [illegible] understands that such a mortgage comes ahead of any [illegible] mortgages issued against the property.

The [illegible] convertible bond [illegible] appeal to many investors in that they confer the holders [illegible] in the general property of the company [illegible] respects [illegible] entitled to the specific [illegible] purposes whose [illegible] bond they may [illegible]. The evidences of the prosperity of railroad and corporation are growth of business and increased earnings, and these two things are reflected to a much greater degree through the enhancement of stock values than through the medium of any other form of [illegible] issue. It is therefore apparent that under [illegible] conditions holders of bonds convertible into stock may [illegible] a valuable privilege.

However, in considering the purchase of convertible bonds the same rule should govern as in the selection of any railroad or corporation bonds. That is, the privilege of converting the bonds into stocks does not add to the *security of the principal*. The value of the conversion is due solely to the possibility of the stocks selling at prices beyond the conversion figure. If the stock should not do this the conversion privilege is a dead [illegible] to the holder of convertible bonds.

We [illegible] specialize [illegible] of the [illegible] Pennsylvania Railroad which [illegible] the [illegible] of $500 bonds. The principal of these bonds is payable October 1, 1915, and the coupons [illegible] the 3½ per cent. interest [illegible] April 1 and October 1. The authorized issue is $50,000,000. The company reserves the right to pay off the bonds on April 1, 1907, [illegible] at par and interest. These bonds are convertible at the option of the holder into Pennsylvania Railroad, prior to maturity, at the rate of $75 a share for the bonds, the prevailing price of the stock being $50.

The Pennsylvania Railroad has an authorized stock issue of $500,000,000, of which the present $[illegible] is outstanding. Dividends at the rate of 7 per cent. per annum are paid upon the outstanding issue. As before stated, the par value of the shares is $50. Prior to [illegible] are listed on the New York Stock Exchange on the basis of a par value of $50. The [illegible] par value shares are known as "half stock" and are consequently take two shares of such stock to bring the par value up to $100. Pennsylvania Railroad stock is now selling upon the New York Stock Exchange at about $122 a share. Based upon $100 par value, which is equivalent to $50 for a $50 par value share.

Thus, for, based upon a par value of $100 a share, these 3½ per cent. bonds can be converted into Pennsylvania Railroad stock at $61 a share. However, these bonds are now selling at about $[illegible] for each $1,000 bond. This makes a difference in the stock conversion figure. For the [illegible] that the $1,000 bond can be converted into stock at $50 a share, it would get 16 full shares of stock. But the bond did not cost him $1,000. It cost him only $[illegible] so the 16 full shares of stock based upon cost of 135 is here for expired. Therefore, with the stock selling at 122, the 16 shares are worth $[illegible], representing a profit of $300 over and above the original cost of his $1,000 bond at par, $1,000.

This serves to indicate the possibilities of profit to be derived from convertible bonds. But we will cite a [illegible] by pointing out that in 1901 the Union Pacific authorized an issue of $100,000,000 [illegible] 4 per cent. convertible bonds, convertible into common stock at par ($100 a share) prior to May 1, 1906, and redeemable at 103½ and interest on and after that date. These bonds originally sold at prices ranging between about par and 101, $1,000 and $1,010, respectively, for each $1,000 bond. In 1900, shortly before the conversion privilege expired, these bonds sold at about 160 or $1,600 for each $1,000 bond. The explanation of this is that the common stock was then selling at about 160, and as each $1,000 convertible bond had the right of conversion into 10 shares of common stock, the ten shares were worth ten times $160, or $1,600. In May, 1901, when the convertible bonds were issued, the conversion privilege was of no value, for the reason that the common stock, which is now at 76 in May, 1907, [illegible] before stated, the company reserved the right to redeem

Bonds

The Ideal Investment

Whether you have much or little to invest good bonds are the safest security and the steadiest interest-payers.

We employ experts to thoroughly investigate properties of companies whose bonds we buy, and we back up their findings with our successful experience in selecting conservative investments. Nobody has ever lost a cent on bonds recommended by us.

Our practical book "Bonds are Best" is interesting and valuable to everybody who wishes to invest. Sent on request.

Henry & West, Bankers
Dept. A, Real Estate Trust Building
Philadelphia
Members New York & Philadelphia Stock Exchanges

WE OFFER for sale bonds of a water company doing business in a prosperous community that is steadily increasing in population. These bonds are secured by all the franchises, properties, pipe lines, etc. which are now owned or that may be hereafter acquired by the company.

The security back of these bonds, together with the interest which is paid semi-annually, makes them very attractive to a conservative investor.

We will be glad to furnish full particulars on request.

Shoemaker, Bates & Co.,
BANKERS
(Members of New York Stock Exchange)
37-43 Wall St., New York

What is the Best Investment?
It is One That Grows

[illegible] a period of years [illegible] United States shows that [illegible] **Business** [illegible] in addition to paying [illegible] has [illegible] steady and [illegible] through them [illegible] increasing [illegible] earning power.

We deal in [illegible] properties. Centrally Located Store and Office Buildings in [illegible] for your Investment. [illegible] in proportion of Earnings and [illegible] Value.

These properties are not and never can be mortgaged.

The [illegible] Units are accepted by National and Savings Banks as security. Trustee proves their substantial and dependable character.

Send at once for our [illegible] and [illegible] statistics in various sizes and details. [illegible] Method.

THE TRUSTEE SECURITIES COMPANY
No. 1 Wall Street, New York
The Trustee Company of Seattle — The Trustee Company of Los Angeles
The Trustee Company of Spokane

Financing An Enterprise

A practical book by [illegible] preparing new [illegible] secured for enterprises. Explanatory [illegible] prospectus, [illegible] methods of preventing [illegible] discussed fully. The only successful work on promotions. Endorsed by best business men. 340 pages. Second edition. Buckram binding, prepaid, $4. Pamphlet and circular mailed free.

The Ronald Press, Rooms 60-62, 229 Broadway, N. Y.

If subscribers (of record) mention "Success Magazine" in answering advertisements, they are protected by our guarantee against loss. See page 712

FIGURE 3

Editor Like His People

ity. The difference in the editorial point of view will generally be the difference in the points of view of his people. A man rarely continues to subscribe to a publication with whose editorial opinion he differs, or from whose selections of articles and stories, he can glean no entertainment.

The average magazine, it is true, contains no editorials, but the editorial mind is reflected in the choice of material. If we see in a monthly magazine, for instance, a succession of attacks on what, for want of a better name, we shall call "vested interests," we may reasonably feel assured that it appeals to the radical element. If, on the other hand, we find a sane, conservative discussion, in a broad-minded way, of the evils that are admittedly present in our business system, we may reasonably suppose that the publication reaches a sane, sensible and reasonable class of people, who wish to be educated in the proper way of thinking on the subjects under discussion.

Do Not Use Only the Paper You Like

It is not, however, a safe rule to hold that you should advertise only in those publications with whose editorial policy you personally agree. I have laid down this principle in the consideration of the selection of advertising copy, illustrated in another chapter.

Again, we must assume the objective attitude, and after having analyzed our own proposition, and the particular class of people to whom it must appeal, we must turn to the publication which can convey our message to the greatest number of that particular class. On another page I show an analysis of the financial advertising carried by twenty of the leading monthly magazines and weeklies. This will indicate better than any arguments the characteristics of the publications.

Monthly magazines do not give, because of the requirements of their mechanical departments, an opportunity for the news treatment of advertising. When the advertiser has to send in his copy for a December publication on the 1st of October, as he does in the case of the "Ladies' Home Journal," it is easy to be seen that he can hardly dwell upon news features, or any other item or offering that is likely to cease to have any interest, or even existence, sixty days thereafter.

The Old Story

It is the old argument of the monthly man that the daily paper dies each day, while the monthly magazine has at least a month's life, and in many cases much longer. It is open to serious reflection, however, whether this feature should receive too much consideration.

The Market Place

The advertising pages of a monthly magazine are really considered in the average man's thought, not so much as a reference sheet, but as the market place through which he travels once to note the bargains and the offerings, and he rarely goes again. If, of course, in his first glance through the advertising pages, something attracts his attention, he may go back to it after a few days, or even after a few months, when the time is more auspicious than the present, and act upon the suggestion embodied in the advertisement.

But the monthly magazine advertiser who has received the most direct and satisfactory returns from the magazine is the man who insists on getting action at once, much in the same way that he would in a letter or daily paper advertisement.

The only radical difference between the copy used in magazines and in the daily paper is a higher type of artistic treatment, made possible in the former because the magazine is printed on better paper, and the presence of news in the latter with its timely appearance.

The Value of the Mere "Inquiry"

The mail order banker has not made the best use of the magazines because he has apparently distrusted the mere inquiry. At first he was deluged with letters from people who obviously were incapable of realizing his requirements of a customer. Mail order business of all kinds suffers from the same difficulty. The more consistent and persistent mail order banks, however, have apparently realized that it is up to their machinery of follow-up to sift the wheat from the chaff. In appealing to a mixed class, all kinds of results must naturally be expected. Even in appealing to a class that is well defined in its characteristics there are the good, bad and indifferent of that particular kind. The good, from an advertising standpoint, come slowly and only as the results of persistency. The indifferent are more but will answer to proper treatment. The bad, like the poor, we have always with us.

It seems to me that the banker has failed in his mail order bank work to realize the distinctions between publications. He has selected his line of mediums and has indiscriminately sent the same advertisement to all of them. I believe the time will come when a careful analysis of circulation will produce different treatment in different publications.

The Value of Repetition is Actual

Repetition is a very important thing, as I have already said, and has scientifically practical results. There is no doubt whatever that when Mr. Jones sees the advertisement of the Savings & Trust Co. in

Can't Dodge it

"McClure's," again in the "Saturday Evening Post," again in the "American," he is impressed— he is deeply impressed—much more than if he had seen it in but one of them. At the same time, if those advertisements have the same personality, the same general appearance, and if they attract him in each of those magazines from a different standpoint, the advertiser would have an increased opportunity to do business with Mr. Jones. By it we obtain all the value of repetition and in addition we get the strength of variation.

In line with this, the advertiser will take the cue for his copy from the characteristic contents of the magazine; for instance, when Mr. Lawson's articles were running in "Everybody's" the bank that would have taken a page space, embodying in its advertisement a strong talk on the absence of stocks among its collateral, would have been in a position to meet the sentiment which Mr. Lawson fanned into such furious flame, and have obtained a great deal from the reaction his articles caused. Many of the banks did attempt to meet the sentiment aroused, and in various ways, more or less impotent, disclaimed that they carried any stocks among their collateral. The unfortunate part of it was that they did not choose the same mediums through which the charges were made, to vindicate their judgment.

A lie has seven-league boots and the truth creeps but slowly. It may be a great deal of satisfaction to be assured that "truth crushed to earth shall rise again," but the crushing is sometimes most unfortunately conducive to long-lived scars.

The Steady and Consistent Rate

In dealing with reputable monthly publications the advertiser has the pleasing, if exceptional, experience of paying a steadier and more consistent rate for his advertising. Publications worthy of consideration have an established rate. They stick to their rate cards and this produces a certainty of expense that permits planning and definite arrangements well in advance of the use of the publications.

The monthly magazine's rate card as shown on another page is not quite so complicated an affair as that of the newspaper. Elsewhere is shown the rate cards in force at this writing for the "Saturday Evening Post" and "Review of Reviews."

The Flat Rate

These two are typical. Almost all magazines of standing now charge a flat rate; i. e., so much a line or page and pro rata for smaller spaces, extra for guaranteed special position, no matter how much space is used.

THE LITERARY DIGEST

NEW YORK CITY POPULATION 10,000,000

NEW YORK'S problem to day is the transportation and housing of the enormous yearly increasing population The Subway System, in operation only a short time, has now reached its maximum capacity Realizing the inadequacy of the present transportation facilities the Public Service Commission is planning for new lateral subway lines and considering the third-tracking of the Second and Third Avenue Elevated Roads The improvements by the Pennsylvania, New York Central and New York, New Haven & Hartford Railroads of new terminals, trackage, and change to electric motive power for suburban service is costing several hundred million dollars New York City's greatest growth has always been Eastward the point of least resistance—Harlem, all sections of the Bronx, and beautiful Westchester County The Astors, pioneers of New York City real estate, have always kept in advance of the growing city When they purchased Long Acre Square it was pasture land to-day they hold large tracts of land along the City limits and, in time, will realize millions in profits over the small amount first invested The New York & Westchester Town Site Company several years since, realizing the opportunity offered and before the present rise in prices had taken place, selected and purchased the most desirable tracts of land adjacent to New York City, in Westchester County, suitable to the development of ideal suburban homes A large part of the Scarsdale Estate's property already purchased is located along the Quaker Ridge the best residence sections of the City of New Rochelle and Scarsdale, and includes as well other property in the City of Mt Vernon, Pelham, and New Rochelle A large part of this property has already more than doubled in value The tracts are being taken up, one at a time, developed and sold. The Sales Agents of the Company are the Messrs. Bloomingdale Brothers' Stores, New York City, who have met with phenomenal success The last property developed, Wilmont Park, was offered in July and in three weeks forty-five per cent of the property was sold. The funds accruing from these sales will pay for the entire property, improvements and selling expenses, and show a large cash profit, as well as leaving in the Company's hands fifty-five per cent of the property, the lots remaining unsold being largely the best part of the estates. We have sold, from time to time, the securities necessary to finance this enterprise, including upwards of $700,000 of the Company's Six Per Cent Gold Bonds We are now offering an additional block of $100,000 of these bonds of the same issue, equally secured with the first bonds placed on all of the Company's property, at a price of 95.00 and interest. If, as expected, the bonds are called for payment within the next two years, the investment will net over eight per cent. The outstanding bonds of the Company are held by the most conservative institutions and investors in the East. This offers an opportunity of securing an interest in New York real estate on a conservative basis, the principal well secured, with an attractive net return. The small investor with $1,000 is given the same opportunity as the man with $100,000. We have made a specialty for fifteen years of handling high grade investment bonds and, as the affairs of this Company are well managed, we recommend these bonds for investment Confer with your local banker, or orders and remittances may be sent through any New York Bank or Trust Company, and will receive prompt attention Allotments of bonds will be made as orders are received, except that preference will be given to small amounts Full detailed information and maps of properties will be furnished upon application R E. Robinson & Co. (formerly Dick & Robinson), Bankers, 30 Broad Street, New York, Real Estate Trust Building, Ground Floor, Philadelphia

FIGURE 4

Many publications are doing away entirely with special discounts, except on yearly business. This is the most satisfactory way, and as the real value and power of space becomes better understood, the publisher and advertiser will comprehend it.

Why Advertising Costs Money

It costs some publishers forty per cent. to get the advertising that appears in their columns. This, of course, the advertiser has to pay.

Why?

Because he has to be educated and the solicitor is educating him.

It may be that he is learning that a publication is not a good one for him to use, it may be to learn that it is just what he wants, but the process is expensive just the same.

It can be readily seen why it is that advertisers should know their mediums—know what are not the kind they should have. They must know this, or hire men who do, else they can waste money beyond any hope of regaining it.

Many advertisers waste money by timidity. They "try a publication," because they don't know enough about it to *know* that it will or will not pay them.

Most monthly publications pay 10 per cent. commission to the recognized advertising agents, some 15 per cent. The average rate is on a basis of ⅝ of a cent per agate line per thousand of circulation. This makes the charge in the "Ladies' Home Journal" $6 a line, or $4,000 a page.

Publications, however, such as the agricultural press, religious publications and business men's publications, will sometimes get as high as a cent and a half or two cents a line per thousand of circulation.

Why Rates Per 1000 Circulation Vary

This is right and proper, because a class publication, while having a smaller circulation, is supposed to have greater influence with its particular class, and if this class affords a greater number per thousand of circulation of possible customers, it is certainly worth more per thousand because the waste circulation is less.

It costs more per copy to publish 100,000 copies of a standard quality and size than it costs per copy to print 300,000 circulation, and the cost per copy does not become stationary under the best modern equipment until a circulation of 700,000 or 800,000 is reached, at which time the cost per copy commences to gradually increase.

Any one familiar with manufacturing problems will understand this situation.

In handling illustrated copy for monthly publications, original plates should be forwarded to the publication in all cases. The mechanical requirements of the case mean that electrotypes will have to be made by the publishers in printing the advertisement, and the advertiser should not expect the best results unless all the electrotypes are made directly from originals.

Getting the Best Results From Space

It is the best practice, where a highly individualized set-up is depended on, for the advertiser to send a proof of his advertisement in type just as he wants it to appear in the magazine, and where the set-up provides for an exceptional face of type or an unusual border, it is best for him to furnish the magazine with an electrotype of the type form.

The paper stock used in the advertising sections of the magazines is generally found to be supercalendared stock and it is impracticable for a half-tone of more than 150 or 160 line screen to be used.

"McClure's Magazine" issued a very comprehensive statement of its advertising policy in the shape of a booklet entitled "Regulations, Rates and Information for Advertising Agents of McClure's Magazine," the substance of which is as follows:

Typical Rate Card of a High-Class Publication

RECOGNITION OF NEW AGENTS

To secure recognition, agents must satisfy us as to their financial standing and give us at least three new accounts aggregating three pages within one year.

Commissions on all business sent in within one year (for which gross rate has been paid), will be rebated to new agents when recognized.

CONCERNING RATES

Until further notice, all advertising agents must charge the following card rates for space in McClure's Magazine:

Inside Page, one month	$160.00
One-half such page, one month	230.00
One-Fourth such page, one month	115.00
One-Eighth such page, one month	60.00
Cards less than one-eighth page (inside pages only), per agate line, one month	2.15
Page facing Table of Contents, one month	690.00
Page preceding Frontispiece	690.00
Inside Cover Page, page next Inside Cover Page, or page following reading matter, one month	920.00
Last Cover Page, one month	1656.00

No time discount on Last Cover Page.

* Contracts for advertising in McClure's Magazine when placed through an advertising agency are considered the property of the agency placing said contracts. Should an advertiser wish to transfer his account to another agent the consent of the agent who placed the contract must first be obtained in order to secure the time discounts.

Cosmopolitan—Advertising Section

Impregnable

TWELVE YEARS of conservative management and steadily growing success have placed this company in its present invulnerable position, far beyond the reach of possible business depression, fluctuations in value or panics.

6% BOND SHARES

are as durable as Government bonds. They are protected by NEW YORK REAL ESTATE with a guarantee of 600 per cent. security. No other company handling New York Realty can show equal security.

Interest *guaranteed* and payable semi-annually, by check. Investments of from $100 to $10,000 accepted, drawing interest from day of receipt. **Over HALF MILLION DOLLARS paid to investors to date.**

Why not write to-day for Booklet I?

NEW YORK REALTY OWNERS CO.

ASSETS $2,000,000.00 **489 Fifth Avenue, NEW YORK**

One Match Will Light It. NO Light Will "Match" It.

CANTON Incandescent Gasoline **LAMP**

Pure white steady light; 100 candle power. Brighter and cheaper than acetylene, gas, electricity, kerosene. Safe, simple. No smoke, no smell. Beautiful fixtures—get catalog. Agents wanted

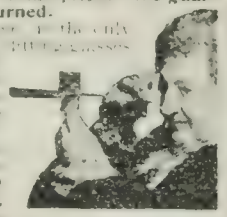
CANTON LIGHT COMPANY
919 Ninth Street, Canton, Ohio

Perfect Fitting

Glasses at 1/2 Price

We sell at wholesale prices saving you the dealer's and oculist's profits, equal to one half retail prices. **We guarantee satisfaction or money returned.**

Our ex-tester the Comp[illegible] is the only recognized reliable instrument for fitting glasses by mail. It is the invention of our Mr. A. [illegible] for 26 years in the retail optical [illegible] Grand Rapids [illegible] Free on request.

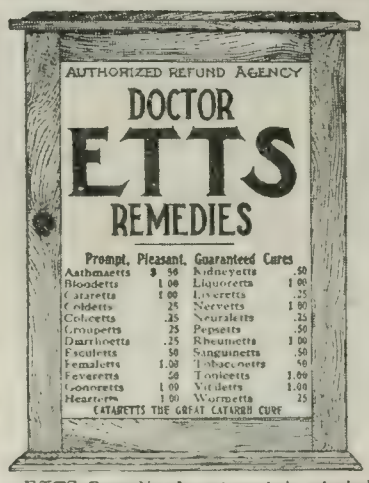


It will pay you to send to-day for [illegible] glasses [illegible] FREE.

Special Offer. [illegible] glasses for 6 stamps

GRAND RAPIDS WHOLESALE OPTICIANS.
211 Edward Bldg., Grand Rapids, Mich.

Doctor Yourself with Etts Remedies



ETTS Remedies do not contain alcohol, opiates, morphine, coal tar products or any other harmful or dangerous drugs, and never have. Guaranteed under Pure Food and Drug Act under serial No. 137[illegible] filed with Secretary of Agriculture at Washington

ETTS Remedies are prepared by skilled pharmacists from the formulas and under the personal direction of experience and successful physicians.

Our guarantee of their efficiency is ABSOLUTE. Our druggists are authorized to refund the purchase price without question, if you are not more pleased with results.

The fresh purest ingredients are compounded under new methods, final and [illegible] sive with Dr. Etts Co.

Etts Remedies are [illegible] ant to take easy of assimilation and prompt to re[illegible]

Etts Remedies may now be had at all drug stores playing the Etts Cabinet illustrated herewith.

If not on sale with your druggist, any of these [illegible] tions will be mailed on receipt of price.

If in doubt as to what you need, write us to

DR. ETTS DRUG CO., Associated Therapeutic
CHICAGO, U

This $6.00 Gold Mounted Fountain Pen
$4.50 Cash are Yours if You Will Secu

Fifteen Yearly Subscriptions to

THE METROPOLITAN MAGA

For further information regarding our subscription offers addre

THE METROPOLITAN MAGAZINE, Dept. C, 3 West 29th St., N

When you write, please mention the Cosmopolitan

FIGURE 5

Are all your investments worth what they were a year ago?
GUARANTEED MORTGAGES ARE—AND ALWAYS WILL BE
Their security is New York City real estate—the most valuable in the world—and besides, payment is guaranteed. Send for descriptive booklet entitled
"GUARANTEED FIRST MORTGAGE CERTIFICATES"
TITLE GUARANTEE AND TRUST Co.
Capital and Surplus, $12,000,000
176 BROADWAY NEW YORK CITY
185 JEFFERSON ST. BROOKLYN
Guaranteed First Mortgage Certificate
New York
Investors Corporation
500
New York.
DIAMONDS
ACCOUNT
"GEM" JUNIOR Safety Razor
See THE "BAR-JAR" BAR
The Greatest of all Safety Razor Improvements. A bar that prevents the jar—or resistance of the beard. It smoothens, and tightens the skin correctly at the shaving edge, adding a delightful massage effect and renders shaving a pleasurable experience. It makes the "Gem" Junior perfection, yet does not add a cent to its price.
Set Complete, 7 blades $1.00
including silver nickel plated frame and shaving and stropping handle in handsome plush lined case. Special set, 12 blades $1.50.
The "Gem" Junior Blade
GEM CUTLERY CO., 34 Reade Street, New York
BANKING BY MAIL AT 4 PER CENT.
THE CITY OF CLEVELAND
FOUR PER CENT INTEREST
THE CITIZENS SAVINGS & TRUST CO.
CLEVELAND, O.
ASSETS OVER 42 MILLION DOLLARS

FIGURE 6

Typical Rate Card

Discounts

*For 6 insertions of same space within one year..... 5%
*For 12 insertions of same space within one year..... 10%

Rates for Schools

$23.40 per inch. Subject to discounts of 5% for 6 inches within one year and 10% for 12 inches within one year. This rate does not apply to correspondence schools.

*By contracting to use a minimum of 672 lines or three pages within one year, advertisers may secure the yearly page rate of $414.00 per page. This space must be used within the year, but may all be used within one month, or may be divided and used in such issues, and for such space in each issue, as may best suit the advertiser.

All advertising agents recognized by us shall pay us the card rates less a commission of ten per cent.

A flat rate of $18.95 is given agents for school advertising. This rate does not apply to correspondence schools.

All bills must be settled by all advertising agents within ten days from date rendered, for which a discount of five per cent will be allowed.

All advertisers shall be entitled to a discount of five per cent. for cash payment within ten days from date of bill for space in McClure's Magazine.

Should any advertising agency on our list, or any of its representatives or solicitors, quote or accept, either directly or by making any allowance whatsoever, a rate less than the full card rate for space in McClure's Magazine, such advertising agency shall pay the full card rate for all space on which the said card rate has been directly or indirectly cut, subject only to five per cent. discount for cash within ten days from the date of bill.

Should any advertising agency on our list quote a second time a rate which may in any manner be construed as a cut in our card rate, such advertising agency shall then pay the full card rate on all business placed in McClure's Magazine, subject only to a discount of five per cent. for cash within ten days from the date of bill.

All estimates for space in McClure's Magazine shall be made separately, and McClure's shall not be included in any list in which any deductions are made from the publishers' full card rates.

The making of contracts or the placing of business in McClure's Magazine by any advertising agency on the basis of ten per cent above such agency's net cost shall be considered a quotation of less than full card rate.

Upon the request of any authorized representative of McClure's Magazine, all advertising agencies with whom we are doing business shall show a copy of any estimate made by them for space in McClure's Magazine, and shall furnish satisfactory evidence that no rate less than the full card rate has been quoted in such estimate.

INSERTS

A single sheet insert of two pages will be charged at the rate of three ordinary black and white pages to agent or advertiser; the charge for inserts of more than two pages will be pro rata. All inserts must be furnished to us ready to bind. Size 9 13/16x6 13/16 inches.

An additional charge equal to the price of one ordinary black and white page will be made for all inserts occupying preferred positions.

No inserts exceeding a weight of one hundred and ten pounds to a ream 27 x 39 inches will be inserted in McClure's Magazine.

READING ARTICLES

All reading articles will be charged at the rate of regular display advertising; if inserted in preferred position, an additional charge equal to the price of one ordinary black and white page will be made.

Cosmopolitan—Advertising Section

Some Economies of the Telepost

By Frank Wesley Shumaker

WHEN you can send telegrams to any part of the country at a maximum cost of one cent a word, will you not use the telegraph more frequently than you do now?

When you can send twenty-five words for twenty-five cents between any two cities, no matter how widely separated, will you not often transact your important business by wire instead of depending on mail trains at a loss of several days in the exchange of letters?

When telegraphic charges allow the sending of messages, regardless of distance, at the rate of one cent a word for twenty-five words, and half a cent a word for additional words, will it not stimulate the public to double and quadruple the present patronage of the telegraph?

There can be but one answer to these ...—an emphatic affirmative.

... public has been demand- ... service, such as ... and the West- ... nies have ... to

What is the logical conclusion? Why, that the companies now attempting to meet the telegraphic needs of the country are far behind the times, are moribund and must give way to something that can give the public what it wants and insists on having—a more accurate, a more extensive and a much cheaper telegraphic service.

The Telepost meets these requirements—and it is the only thing that can fully and adequately meet them.

The Telepost offers the best and cheapest telegraphic service in the world. It can send messages at the highest speed, with the greatest accuracy and at the lowest rates with the largest profits, of any system that scientific ingenuity has yet been able to devise.

The old-style telegraphic companies send ninety-nine per cent of their messages at the average speed rate of fifteen words a minute.

The Telepost sends its messages at a speed of one thousand words a minute—a speed sixty times greater than that at ... the old companies habitually ...

... nies made an average ... 31.6 cents a me- ... an average ... being 4 ... is

FIGURE 7

Typical Rate Card

CIRCULATION

While these rates are in force, and until further notice, all rates quoted by all advertising agents shall be based upon a guaranteed average circulation of 414,000 copies per issue.

DIVIDING COMMISSION

No advertising agent will be allowed to divide any part of commission received from McClure's Magazine with any other advertising agent who is either recognized or not recognized by McClure's Magazine.

CONCERNING COPY

No advertisement of less than one-half inch will be received.

All copy must be in our hands before the first of each month to insure insertion in McClure's Magazine for the following month, but if the advertiser desires to see proof of his advertisement, copy must be sent so the O. K.'d proof shall be in our hands by the 1st.

We do not guarantee that corrections will be made in proof received after the 30th of the second month preceding date of publication.

Advertisers who desire their advertising classified or who wish a certain position will please bear in mind that they stand a better chance of being classified and getting the position desired if their copy is in our hands by the 20th of the second month preceding date of publication.

All key numbers must be plainly written on all copy furnished for insertion in McClure's Magazine, and no rebate will in any case be allowed for errors arising from the insertion of wrong key numbers.

No copy which is purely medical or which has the appearance of being medical in character will be accepted for insertion in McClure's Magazine.

No advertising for stocks in mining, rubber or oil companies, for cigarettes, or for intoxicating beverages of any description will be inserted in McClure's Magazine.

The word "free" shall not prominently appear in an advertisement in McClure's Magazine except when the article so advertised as free is to be obtained absolutely without expenditure, or when the conditions upon which such article is to be procured are also stated conspicuously.

NO AGENTS' COMMISSION TO ADVERTISERS

McClure's Magazine will not accept any advertising contracts from advertisers direct at less than the full card rates, and will not allow agents' commission to any advertiser, either directly or indirectly or in the shape of a rebate or allowance.

SPECIFIED POSITIONS

No orders for advertising space in McClure's Magazine which stipulate an obligatory position will be accepted, except in the case of preferred positions, for which the regular rate for such positions will be charged.

CONCERNING CUTS

We request advertisers to send us original half-tones as we can secure better printing from plates made from originals. We necessarily have to make electrotypes from cuts sent us whether they be originals or electrotypes, and it will be readily understood that the farther away the printing electrotypes are from the originals, the poorer are the results.

One original cut is often expected to do service for all the magazines an advertiser uses. This occasions delay and sometimes loses the choice of position. The extra cost of duplicate cuts is money well spent.

If you have but one cut please send it to us first and thereby secure advantages which might otherwise be lost.

For 1904 the rate was based upon a guaranteed average circulation of 333,333 but the actual average circulation exceeded 375,000.

For 1905 the rate was based upon a guaranteed average circulation of 375,000 copies, but the actual average circulation for the year exceeded 414,000.

ADVERTISING RATES

Collier's

THE NATIONAL WEEKLY

IN EFFECT OCTOBER 1, 1906

¶Forms close in New York on Saturday, three weeks previous to date of issue, but when proof is required copy should be received *four weeks in advance*

BLACK AND WHITE

Display Advertising, per line, . .	$2 50
Reading Notices, per line, . .	$2.75
Quarter-page, ...	$400.00
Half-page, ...	$800.00
Full-page, ...	$1,600 00

¶Eight words average one agate line; fourteen lines in one inch. Single column width, 2 inches; double column, 4⅛ inches; quarter-page (186 lines) 4⅛ x 6⅛ inches (or 2 x 13½ inches); half page (372 lines) 9⅛ x 6⅛ inches (or 4⅛ x 13½ inches); full-page (756 lines) 9 x 13½ inches

¶Advertisements containing cuts, black-face type, borders, etc., are subject to our change, with resetting of type matter All advertisements subject to surrounding with light rule border Proofs submitted when so requested, if there be sufficient time. **Four lines smallest copy accepted**

Orders specifying position not accepted
No discount for time or space
Five per cent allowed for cash

IN PREPARING COPY

¶A standard magazine full-page, 5½ x 8 inches, reduces, without change, to Collier's quarter-page

¶A magazine half-page reduces, without change, to forty-eight lines double column in Collier's

¶A magazine quarter-page reduces, without change, to forty-eight lines single column in Collier's

Average net paid circulation for ensuing year
600,000 copies per week

ADVERTISING RATES

Collier's

THE NATIONAL WEEKLY

IN EFFECT OCTOBER 1, 1906

¶Finished designs must be received from seven to eight weeks prior to date of issue To ensure the best results, all color plates will be made by the publishers and charged for at actual cost

COLORS

Back-cover, . .	2 Colors	$2,000.00
Full-page, .	3 Colors,	$2,400 00
Christmas and Easter Back-covers,		$2,500.00

¶One full page in three colors, printed with three-color art page, is published in every issue

¶Two full-pages in three colors are published in both the Easter and the Christmas Numbers

¶Back cover each week in two colors (four colors on Christmas and Easter issues) Designs for back cover may be made in conjunction with front cover design when so ordered

COLLIER'S SERVICE DEPARTMENT

¶Will prepare designs and text for advertisers, and furnish them without charge other than the actual cost of drawings, when such are necessary

¶Reprints of advertisements struck off on separate sheets, or in the form of mailing cards, for the advertiser's own use among his trade, are furnished at actual cost of extra stock and pressework

C S HALLOWELL
Advertising Manager
416 West 13th St, N Y

E C PATTERSON
Western Manager
1040 Marquette Bldg, Chicago

FIGURE 8

For 1906 the rate is based upon a guaranteed average circulation of 414,000—in other words we have never advanced rates except upon a circulation which we actually have had for more than a year previous to the time of the increase.

Worthy of Study

The above should be carefully studied by the advertiser about to use national mediums. It will serve as an excellent test of the standing of a publication to see how close it comes to measuring up to the practice reflected in the foregoing.

Strange as it may seem the best paying general medium is not always the one with the largest circulation.

The medium depends for its value on where it goes.

The best paying medium for the mail order banker, broker, bond investment house, is the publication that goes into the average home of the small town and countryside.

Analyze the Circulation

The general medium that goes into the city home, that has a large news-stand circulation, that has either too much masculine or too much feminine circulation, is not so good.

Figure 2, shows two pages taken from the "Saturday Evening Post" and these two are typical of the financial patronage this weekly has. It pays, too. On the other hand "Collier's" carries but little of such advertising.

Why?

Because "Collier's" is not an investor's paper. "The Post," on the other hand, makes a specialty of discussing savings investments and its sane, sensible, conservative stand on the questions of the hour has given it an influence and standing with the average man hard to overestimate.

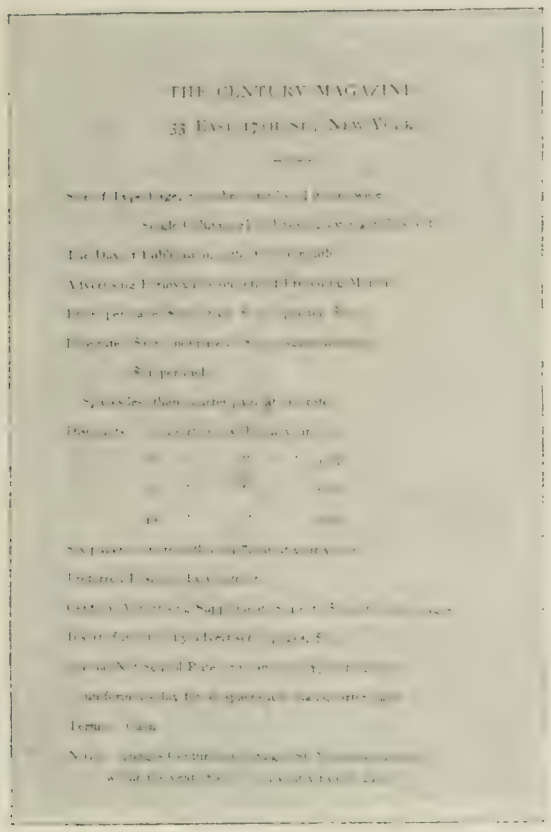
The care with which the "Post" scrutinizes each new proposition presented to its columns has kept them reasonably free from all the characteristic frauds of the day.

Small Ads Get a Chance

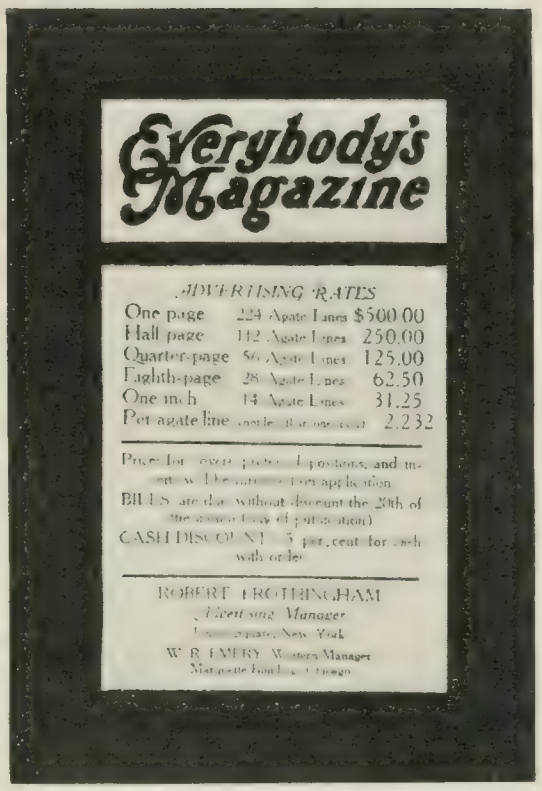
Owing to the reading matter positions possible on the "Post," a very small advertisement gets a much better chance than it would in a monthly magazine.

There are a tone and quality about the "Post" that seem to be a good thing for investment advertisers.

Some mail order bankers offering 4 per cent. savings inducements have complained that the certificate of deposit people, the 6 per cent.


THE CENTURY MAGAZINE

33 East 17th St., New York


Everybody's Magazine

ADVERTISING RATES

One page	224 Agate Lines	$500.00
Half page	112 Agate Lines	250.00
Quarter-page	56 Agate Lines	125.00
Eighth-page	28 Agate Lines	62.50
One inch	14 Agate Lines	31.25
Per agate line	[illegible]	2.232

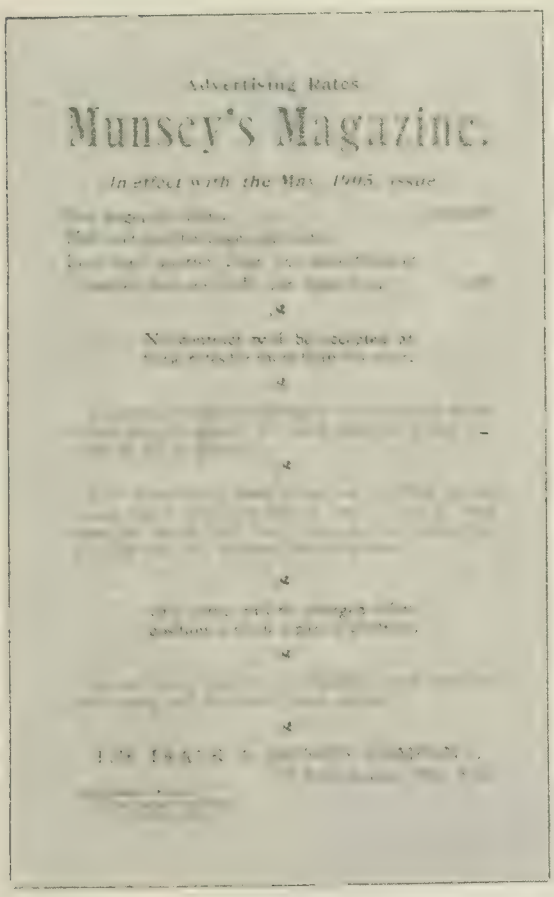
Prices for [illegible] positions, and in[illegible] application

BILLS are due without discount the 20th of the [illegible] (day of publication)

CASH DISCOUNT [illegible] per cent for cash with order

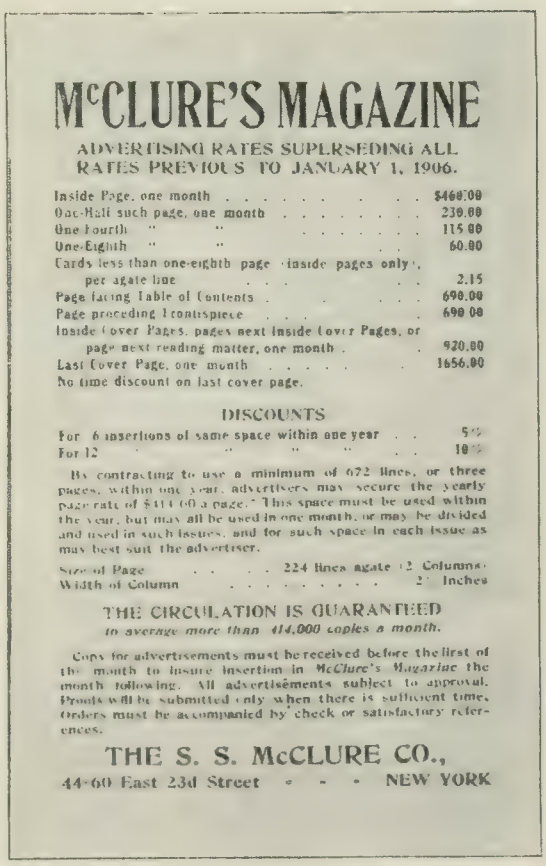
ROBERT FROTHINGHAM
Advertising Manager
[illegible] Square, New York

W. R. EMERY, Western Manager
Marquette Building, Chicago


Advertising Rates

Munsey's Magazine.

In effect with the May, 1905, issue


McCLURE'S MAGAZINE

ADVERTISING RATES SUPERSEDING ALL RATES PREVIOUS TO JANUARY 1, 1906.

Inside Page, one month	$460.00
One-Half such page, one month	230.00
One Fourth " "	115.00
One-Eighth " "	60.00
Cards less than one-eighth page (inside pages only), per agate line	2.15
Page facing Table of Contents	690.00
Page preceding Frontispiece	690.00
Inside Cover Pages, pages next Inside Cover Pages, or page next reading matter, one month	920.00
Last Cover Page, one month	1656.00

No time discount on last cover page.

DISCOUNTS

For 6 insertions of same space within one year	5%
For 12 " " " "	10%

By contracting to use a minimum of 672 lines, or three pages, within one year, advertisers may secure the yearly page rate of $414.00 a page. This space must be used within the year, but may all be used in one month, or may be divided and used in such issues, and for such space in each issue as may best suit the advertiser.

Size of Page	224 lines agate (2 Columns)
Width of Column	2[illegible] Inches

THE CIRCULATION IS GUARANTEED
to average more than 414,000 copies a month.

Copy for advertisements must be received before the first of the month to insure insertion in *McClure's Magazine* the month following. All advertisements subject to approval. Proofs will be submitted only when there is sufficient time. Orders must be accompanied by check or satisfactory references.

THE S. S. McCLURE CO.,
44-60 East 23d Street - - - NEW YORK

FIGURE 9

certificate banks and the other inducement features, have played the deuce with the banking by mail work in the magazines.

What the Papers Carry

The "Post," however, carries certain savings bank and trust company accounts regularly at least once a month, and that is the best test of paying returns, in the present state of financial advertising.

The next monthly to carry a somewhat similar line of advertising, is "Success Magazine."

Catering to the ambitious man of family, in the beginning a weekly for youth, "Success" has had a peculiar history of wavering intentions and changing objective. Today it seems to have arrived somewhere and has assumed the attitude of an ethical yet practical teacher who preaches faith and hope and charity—with a club.

Its comments and articles are rarely colorless—having always something definite and characteristic to suggest. The editorial attitude of preachiness has been modified and mellowed by time, and the magazine has attained the greatest necessity of all—a regular clientele.

Confidence of Readers—the Value to the Advertiser

Every publication to wield any influence worth paying for, must have a defined class of people, or number of people, who look upon it with the affection and belief of an old friend; who look upon it as "their paper," who take it year after year and believe in it, swear by it, and consider it as a part of their daily life.

It is with such a class that "Century," the Harper publications, "Atlantic Monthly," and several other monthlies get their greatest hold.

In "Success's" pages, however, we get an entirely different atmosphere from that of the "Post."

There is a slight difference in the character of the advertisements, as a glance at Figure 2 and Figure 3, will show.

"Literary Digest"—"Review of Reviews"

"The Literary Digest" is one of the best investment mediums, because it is especially strong, as is the "Review of Reviews," with the school-teachers, doctors, professional and semi-professional men and small business men. Of course, both of these publications have subscribers not among these classes, but these are present in large numbers. All these classes are good investors in mail order propositions, or in bonds and stocks of $50, $100, and $250 denominations.

"The Literary Digest" reader is different from the man who reads "Everybody's" or "Scribner's;" he will stop and listen to you. A glance

over a copy of this weekly will show a surprising number of talking advertisements as may be seen by Figure 4, which is an example of a number of similar characteristics. Analysis

I know one instance where a page advertisement in the "Digest" containing nearly 2,000 words, sold over $40,000 worth of stock in a legitimate proposition.

The "Digest" has promoted many real estate transactions, and a lot of good, bad and indifferent real estate has been marketed through its columns. In all such propositions large space is almost absolutely necessary to get action right then and there.

The "Cosmopolitan" carries considerable financial advertising, but it does not appear to the same advantage as in the "Post." For instance, in Figure 5 is shown a gold bond advertisement on the same page with a patent medicine, and a mail order oculist—surely not the best company for a financial proposition. On other pages a trust company occupies a page with a heavy black display of a razor, and another trust company shares a page with a diamonds-on-credit-and-by-mail advertiser, shown in Figure 6. It is hardly imaginable that such position could have been desired by these advertisers.

In Figure 7 we see the write-up so arranged as to come immediately after the regular reading section, and to be barely distinguishable from editorial matter by the line at the top of the page. In this write-up a new style of telegraphic service is offered for investment.

The circulation of the "Cosmopolitan" is very wide owing to its close association with the Hearst newspapers, whose circulation departments in Boston, New York, Chicago, San Francisco and Los Angeles have been pushing it. It probably has one of the largest and most widely distributed circulations in the country. "Cosmopolitan"

The difference between its attitude toward financial advertising and the attitude of the "Post" and "Success," is shown in the way it treats advertisers and what it will permit advertisers to do.

"McClure's and "Everybody's," have carried comparatively little financial advertising, mainly I think, because the rates have been beyond the comprehension of the bank advertiser. One of the most consistent advertisers is the Bankers' Trust Company, whose advertisement appears in "McClure's," "Appleton's," "Review of Reviews" and several others. It is a great pity the copy is not made more reflective of the brains and

experience of this great corporation, which has as directors the foremost figures in national finance.

Where the Difference Lies

"The Review of Reviews" has a reputation as an excellent medium for bonds, investments and savings banks, and here again we need to go but a little ways to find the reason.

The circulation is almost identical, although much larger, with the class of people who take the "Literary Digest." The "Reviews" advertiser can talk, he can take all the space necessary and tell his whole story.

Both the "Digest" and "Reviews" and "Post" readers have been taught to do business by mail, and have been able to do it satisfactorily.

The result has been to their liking and as the "Review" publishes at the top of a special "Financial Directory:"

> This directory will be made up of reputable banking houses, trust companies, savings banks, brokers and other financial institutions. The Review of Reviews Company makes inquiry concerning the institutions advertising under this heading and accepts none that it finds to be of questionable character.

They feel safe.

The "Review" brings excellent returns and the business is profitable and desirable.

Advice on Investments

"The World's Work" also has a directory, through which it goes a step farther and offers advice and suggestions "on investments or any financial subject." Many new advertisers appear only in the "World's Work," which has the entree to more of the largest financial concerns, the homes of more prominent bankers and financial figures, where it is candidly admitted as reflective of business sentiment, than any other magazine published. "The World's Work" has retained the air of the high-grade business house, and while its influence may not be so potent among the crowd, it is a market for high-grade goods for the better class of people.

Do not be blind to the fact that geography plays a big part in the influence of a publication. Two magazines published in the same town may have totally different fields of circulation.

For a long time, for instance, "Munsey" was relatively stronger in the West than in the East, while exactly opposite was true of "McClure's."

The Destitution of Circulation

"The Review of Reviews" may have a large circulation in Chicago and the "Literary Digest" discount it two to one in St. Louis. These are conditions that the individuality of a city or a section may account for, or it may be the mere inability of a circulation manager to get the right kind of representation in a locality where his publication is weak. It may be well to remember, by way of parenthesis, that circulation does not come spontaneously and freely but by dint of the hardest kind of work, foresight, money and organization.

When you want to know what a circulation is and where it goes, ask the solicitor for it. He knows it or he can get it. He can show you, if he wants to, a list of every person who subscribes for his publication in any city or town in the country.

Take your own city or town or any one with which you are familiar, and go over the list. You can size up a publication's influence by it's subscription list, easily and quickly, in this way.

CHAPTER XI

HOW MUCH SPACE TO USE AND WHAT POSITION SHOULD IT HAVE?—THE MATTER OF RATES

HOW MUCH SPACE—WHAT ARE YOU GOING TO SPEND?—NEWSPAPER ADVERTISING—BIG SPACE OR SMALL SPACE—FREQUENCY OF INSERTION—THE VALUE OF REPETITION—THE MINIMUM OF SPACE—POSITION IMPORTANT TO THE SMALL ADVERTISEMENT—WILLIAM S. POWER ON PERSISTENCY—POSITION IN THE MAGAZINES—SPACE AND RATES—THE RATE CUTTER—WHAT IT COSTS TO PUBLISH A PAPER—HOW THE RATE IS DETERMINED—EDITORIAL AND BUSINESS EXPENSES—THE TRADING OF SPACE—THE RATES TO YOU AND TO OTHERS—ADVERTISING AGENCIES—THE BEST POSITION IN A NEWSPAPER FOR THE DIFFERENT KINDS OF FINANCIAL ADVERTISING—POSITIONS EXPLAINED—ANALYSIS OF SOME EXAMPLES OF GOOD AND BAD POSITIONS—WEEKLY MAGAZINES—COST OF EXTRA POSITION—STUDY THE PUBLICATION BEFORE DETERMINING YOUR POSITION

How Much Space to Use

WHEN we have decided on the medium we purpose using the next question is, "How much space?" which question intimately concerns the amount of the appropriation. As will be pointed out in a later chapter, it should be the accepted policy of any advertiser to lay out a definite sum for use in periodical advertising. He should distribute this, with the exception of a certain percentage, among the different publications in proportion to their influence and standing.

The planning of a campaign will be treated later, but it is well to point out now that the bank working without a definite knowledge of what it intends to spend, the mediums it desires and the amount of space it wishes to use, is in the position of not knowing where it is going or when it gets there.

Advertising solicitors for publications of little or no standing always spot the advertiser that has no definite appropriation. He is the easiest kind of prey, because he places advertising on the same basis as a man who buys a meal. If he is feeling cheerful and hungry, he buys a lot. If his stomach is a little bit out of order he cuts it down to a milk-and-cracker basis.

Again, if a certain sum of money is put aside for regular publications, a certain space is contracted for, and there is not that temptation to spend the money in charity programs, third-rate magazines, and splurge in trade editions of the local paper.

The advertising man who may read these lines will smile in a superior way at my giving this appropriation question any mention, but there are hundreds of bank advertisers who have no definite idea of the

amount of money they should spend or intend to spend for their advertising before they have embarked on an advertising career.

Having decided how much money to appropriate, for instance, to newspaper advertising, the question then arises, How shall it be used? This divides itself into several questions: First, shall we use a small space every day? Second, shall we use larger space less frequently? Third, shall we use a very large space occasionally?

Going Back to First Principles Again

Banking advertising must always be based on principles of education. It is a very difficult thing, however, to set a certain amount of space aside and say, "I will write my story to fit that." A story must be made to fit the mental stature of your public. The man who makes his story conform to his space is in much the same position as the farmer who buys clothes for his children irrespective of their age or size, or the tailor who has one pattern and cuts all clothes the same size.

Inasmuch as bank advertising must be educational, frequency of repetition is a very material element in determining the success. Psychologically, repetition is one of the most effective methods of driving a thought home. The good old saw comes in so pat that I can't help but repeat, "The constant dripping of the water wears away the stone." So the constant, persistent and consistent tapping at the mental attention of the possible customer eventually leads to the opening of the door, when the rest is easy.

The great publicity campaigns that have been carried on for cigars, patent medicines, etc., where the advertising has had very little educational value, has depended almost entirely upon repetition, and some of the greatest fortunes have sprung from persistent attention to this single principle—repetition.

Spend as You Require It

I should therefore recommend that the advertising be used every day in the daily papers; that it be made as large as the money will permit, and that enough of the original appropriation to pay for 10 per cent. additional space should be retained as a reserve fund. This reserve fund should be expended from time to time as the necessity for larger space arises.

This necessity is of one kind.

Suppose, for instance, a large bank in your city should fail; suppose there should be a chance of a local panic; suppose there is a burglary; suppose any one of a hundred things that would be an interesting matter of consideration from the standpoint of the banker, and that you wanted

to express your thoughts and suggestions on it; that you wanted to call the public attention to the safety of your bank, the safeguards that you place about the money you have on deposit, how free you are from the effects of the panic, and so on—you would have to use larger space than your regular daily allowance.

This reserve fund gives an opportunity to expand; to meet unusual conditions, while maintaining the continuity of your work and gaining all the effect of repetition.

Four-inch Space is Smallest

No advertisement in a daily newspaper should be less than four inches single column, unless you pay specially for position, when special position, as will be explained later, often takes the place of large space, as can be readily demonstrated.

Another thing, a well-displayed advertisement in a special position is always worth a great deal more than a much larger space poorly displayed among other advertisements. This can be verified by even the most casual reference to your own papers (see Figure 1).

If your expenditure does not permit of your taking four inches single column, or its equivalent in your daily paper, or papers, every day, then you should take that amount of space, or its equivalent, as often as you can, and gain just as much by repetition as your money will permit.

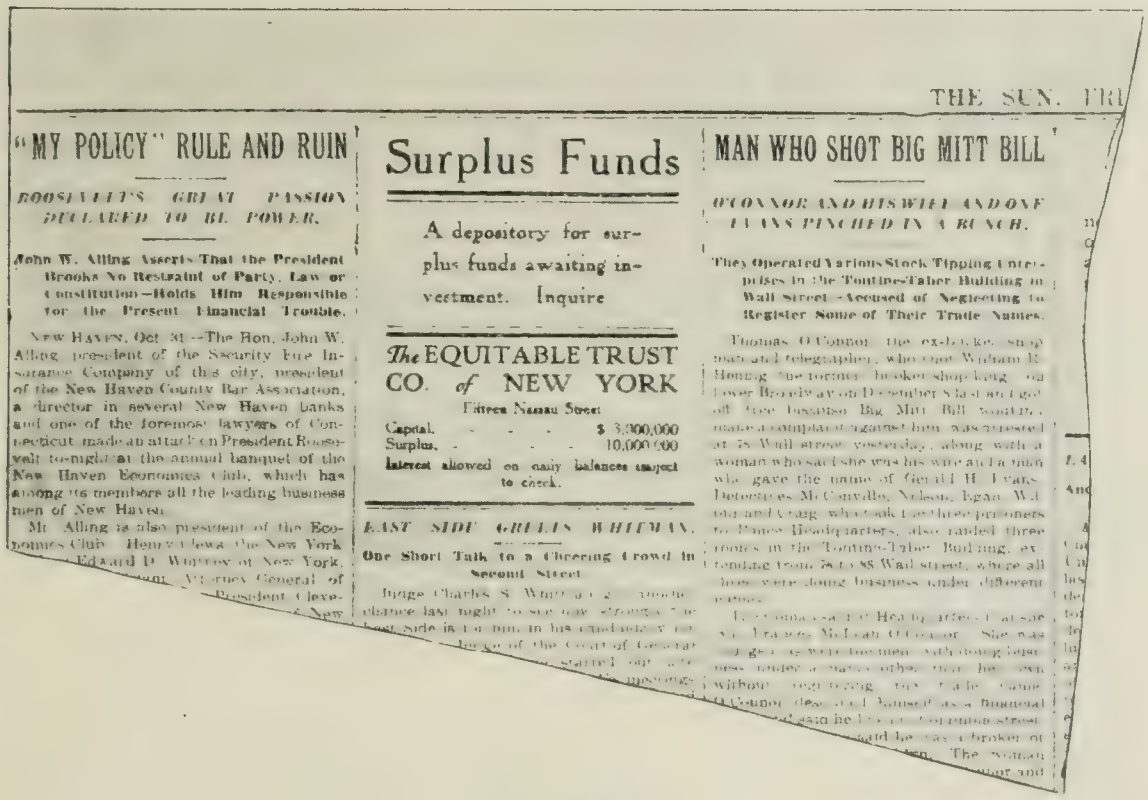
That persistence pays is best illustrated by a little story told by Mr. William S. Power, an advertising agent:

A Little Story of Persistence

Public opinion moves slowly, but it moves with irresistible force. It may require some time to steer it into your channels, but by persistent advertising you can control it, and once under control, it gathers force as a snowball rolling down the mountain side gathers snow.

A very interesting experiment was made a short time ago in one of our great rolling mills. A bar of steel weighing half a ton was suspended vertically by a slender chain. Near by a cork from a bottle was suspended by a silk thread. The cork was started to swinging so that it struck gently against the steel bar. Of course, it made not the slightest impression. But the motion of the cork was continued, and at regular intervals it struck the great bar of steel in exactly the same place. Five minutes passed and still no effect was noted on the bar. After ten minutes, however, the bar gave evidence of feeling uncomfortable. A sort of nervous chill crept over it. At the end of twenty minutes the chill gave way to distinct vibrations, and fifteen minutes later the great bar was swinging like the pendulum of a clock.

A single week or month of advertising is merely a blow or two of the cork against the bar of steel. Its effect is absolutely nothing. It is money and effort wasted, but the continuous, persistent hammering, week after week, month after month, is just as sure to start the pendulum of business swinging your way as day is to follow night. * * * Above all, advertising, to be effective, must be persistent.



THE SUN. FRI

"MY POLICY" RULE AND RUIN

ROOSEVELT'S GREAT PASSION DECLARED TO BE POWER.

John W. Alling Asserts That the President Brooks No Restraint of Party, Law or Constitution—Holds Him Responsible for the Present Financial Trouble.

NEW HAVEN, Oct. 31.—The Hon. John W. Alling, president of the Security Fire Insurance Company of this city, president of the New Haven County Bar Association, a director in several New Haven banks and one of the foremost lawyers of Connecticut, made an attack on President Roosevelt to-night at the annual banquet of the New Haven Economics Club, which has among its members all the leading business men of New Haven.

Mr. Alling is also president of the Economics Club. Henry Clews, the New York [illegible] Edward D. Whitney of New York, [illegible] Attorney General of [illegible] President Cleve- [illegible] New

Surplus Funds

A depository for surplus funds awaiting investment. Inquire

The EQUITABLE TRUST CO. of NEW YORK

Fifteen Nassau Street

Capital,	$ 3,000,000
Surplus,	10,000,000

Interest allowed on daily balances subject to check.

EAST SIDE GREETS WHITMAN.

One Short Talk to a Cheering Crowd in Second Street.

Judge Charles S. Whitman [illegible] chance last night to see how strongly the East Side is for him in his candidacy [illegible] Judge of the Court of General [illegible] started out [illegible] meeting-

MAN WHO SHOT BIG MITT BILL

O'CONNOR AND HIS WIFE AND ONE EVANS PINCHED IN A BUNCH.

They Operated Various Stock Tipping Enterprises in the Tontine-Taber Building in Wall Street—Accused of Neglecting to Register Some of Their Trade Names.

Thomas O'Connor, the ex-broker, shop man and telegrapher, who shot William R. Hennig, the former broker shop king, on Lower Broadway on December 8 last and got off free because Big Mitt Bill wouldn't make a complaint against him, was arrested at 78 Wall street yesterday, along with a woman who said she was his wife and a man who gave the name of Gerald H. Evans. Detectives McConville, Nelson, Egan, Wilbur and Craig, who took the three prisoners to Police Headquarters, also raided three rooms in the Tontine-Taber Building, extending from 78 to 88 Wall street, where all three were doing business under different names.

[illegible] Headquarters [illegible] Frances McLean O'Connor. She was [illegible] were [illegible] with doing business under a name other than her own without registering the trade name. O'Connor described himself as a financial [illegible] said he [illegible] Columbia street [illegible] said he was a broker of [illegible] The woman [illegible] and

FIGURE 1

A common mistake is to look for results too soon. When the farmer plants his wheat in the fall he doesn't expect a harvest in a week or a month; when you give an order for a ten-story office building you don't go around to the site the following day and expect to find a completed building. The farmer knows he must wait until the seasons and the chemicals of the earth work their changes. And you know that your building must proceed by gradual stages—brick upon brick—until finally finished. So it is with advertising. The first insertion does not influence the public mind, nor the last. But one added to the other, every one gathering strength from those that precede it, gradually influences the public mind and brings to your bank the business you desire.

Dealing with Your Local Newspaper

When you come to make your deal with your local newspaper, the question of rates will play a very important part. All the first-class publications in this country, it may be said in a general way, insist upon card rates. Comparatively few of them cut their rate. Just as soon as a publication cuts its rate you may take it as an indication that the rate you are asked to pay is more than the rate some one else is paying; there is no bottom rate for the rate cutter.

The magazines have protected the advertiser by a fairly consistent attitude of one rate to all.

This has done more to breed confidence in advertising than anything that has been done for years.

With the newspaper, on the other hand, the question of stability of rates is still a mooted one. The rate cutter says he has a right to bargain; i. e., get what he can as long as the advertiser and himself are satisfied with the bargain.

Of course this is fallacious logic, because space is supposed to have a standard value in any publication.

The situation lies here. Says the rate cutter, the newspaper publishes so many pages a day, it doesn't matter whether those pages are filled with advertising or reading matter, the cost of publication is practically the same to the publisher, therefore, any advertising space that you may be sold represents just so much less that the publisher has to pay for the publication of his medium. Thus the temptation among publishers has always been to cut rates, figuring that it is better to get $5 per day for a certain space than to not have it at all, and that the space has to be used anyway, so that they would just as willingly let you have it, provided they could get some of your money for it, as to pay space rates to the reporters to help fill it with news or editorial copy.

The Very Crude Condition

Of course, this is a very crude condition of primitive bargaining; and many of the largest publications in the newspaper field would scorn to consider such a method of doing business, very properly maintaining

that when they sell their influence for less than the market rate, which is presumably the rate expressed in their rate cards, they are doing every advertiser who pays more an injustice that no logic or excuse can justify.

The Advertising "Pays the Freight"

Monthly magazines do not suffer from this temptation so much as newspapers because the monthly magazine regulates the amount of its advertising by the amount it gets. The less it has, the less its printing bills, therefore there is always a dead line, beyond which it ceases to be profitable for the publisher to take advertising. I shall not attempt, however, to reflect, even in the most general way, the actual condition of the rate question in the American publishing field. The truth is that the cost of white paper and the maintenance of editorial supervision are so great that the publisher must look to the advertising to pay even a great part of the actual expenses.

Few people understand what an advertising rate is, or how it is fixed.

While the majority of publications have an elastic advertising space, most of them being willing to throw out any amount of good editorial or news matter for paid advertising, some publishers set aside so much space, columns in newspapers, pages in magazines, for reading, and establish a dead line, over which advertising is not permitted to encroach. In the old days, when the editor was the largest owner, this dead line was more in evidence. Nowadays when the advertiser is looked upon as the sole support of a publication and the reader has to take what he can get, the advertiser decides what shall be given the reader. Recently a well-known weekly trade publication gave some very interesting statistics on the subject of cost of publication, as distributed over the advertising space. After deducting from its expenses the net receipts from circulation, every inch of the space it sold cost a cash outlay of $1.40 and brought only $1.73. In other words, each dollar's worth of service it rendered its advertisers cost the publishers eighty-one cents.

Analysis of Publisher's Expenses

The following table gives the cost per column inch of space sold, and also shows the percentage each item forms of the selling price:

	Cost per inch.	Per Cent.
Editorial expenses	$0.19	11
Mechanical—Printing, paper, binding, bulk, postage	.69	40
Business salaries and miscellaneous expenses	.52	30
Profit	.33	19
Total	$1.73	100

If the percentage of profit had been spread over the whole output instead of being confined to advertising sales only, the profit upon an inch of space would have been reduced to 31 cents or 18 per cent. of the selling price. It will be noticed that one-half the publisher's expense is for physical outlay, like printing, paper and postage.

This publication began the year with about 13,000 circulation, ended with about 17,000, printed a total of 777,000 copies, or an average of 14,942 copies per week. The average rate charged per inch per thousand, therefore, was 11.5 cents, or .008 per agate line per thousand copies printed.

ome Interesting Comparisons

One of the interesting and instructive lessons in the above figures, aside from the comparatively small profit, is the place taken by the editorial expense—the lowest on the list. The business end got nearly three times as much as the editorial—showing clearly in this case, no doubt typical of many others, the average trade journal, as the cynic once said, "Pays $5,000 a year to a man to sell a $1,500-a-year man's brains." No doubt it requires a good salesman, but it seems a shame that better goods could not be presented for the consumer's benefit.

Advertising space has not been reduced to the position of a merchandise commodity; publishers have not realized that the one-price basis would be the best thing for good advertising, and the best thing for advertisers, and would create more good advertising and make more successful advertisers than any one thing that the publishers could do.

Newspapers use many subterfuges in getting around the rate question. One of the worst is the practice of trading space for merchandise of various kinds. I remember on one occasion of being canvassed by the business department of a prominent daily newspaper to buy an assortment of typewriters which it had taken in payment for advertising space, and for which it had no use.

The Evil of Trading Space for Merchandise

On another occasion a newspaper took a large quantity of patent medicines and afterwards sold them at a cut rate to a wholesale druggist, with whom it had some business connection, who sold the supply at bargain prices to local retailers and to the injury of other wholesalers and the advertiser.

Magazines frequently do this. A certain publication appealing to office people, at one time in its career, used to trade out fully 30 per cent. of the total space sold for merchandise, which it in turn would sell to wholesale and retail office supply houses at a discount of 10 per cent.

This practice cannot help hurting both the advertiser and the publication.

Frequently newspapers will be willing to take your advertisement for a stated number of insertions at a stated price and stipulate in the contract that they will give you so many columns of free reading matter. These concessions should always be specified in the contract as accepted by the publisher.

Write it in the Bond

On account of the banker's relation with the public and the great service the newspaper may be to the bank advertiser in certain exceptional contingencies, it is not advisable for the banker to drive a hard bargain, but he should have it generally understood that free reading matter, contributions, etc., are a part of the contract, and a part of the service for which he pays.

It is very rare that the local newspaper is not receiving contracts from advertising agencies and other advertisers at a much less rate than you will be called upon to pay, even on the basis of the paper's rate card. Some publications have a rate for local and another for foreign advertisers.

One Device for Getting Higher Rates

The newspaper rate card in the smaller cities is not so difficult to understand. The New York and Chicago papers, however, have rate cards that would require a Philadelphia lawyer to untangle. The best newspapers will come, as the best magazines already have, to a flat rate basis.

Another question that the bank advertiser should satisfy himself on is the question of direct commissions. A well known advertising manager of one of the large metropolitan dailies once said in a published article that it was an absolute fact "that it has so far been impossible to get 25 metropolitan newspapers in this country to absolutely refuse to pay commissions to any one except regular recognized agents."

The newspaper, theoretically at least, pays a commission to the agent for obtaining advertising for its columns. In reality, however, the agent is a broker in space. He sells the space to the advertiser, taking a commission from the publisher as well as from the advertiser.

The bank advertiser in the newspaper has to conduct his own campaign; he has to pay the expense of it in the way of preparing copy, cuts and the salary of his advertising manager, whether that man be in his exclusive employ or an outsider. There doesn't seem to me to be any good reason why the bank advertiser should pay the newspaper 10 to

Why Should a Bank Pay More?

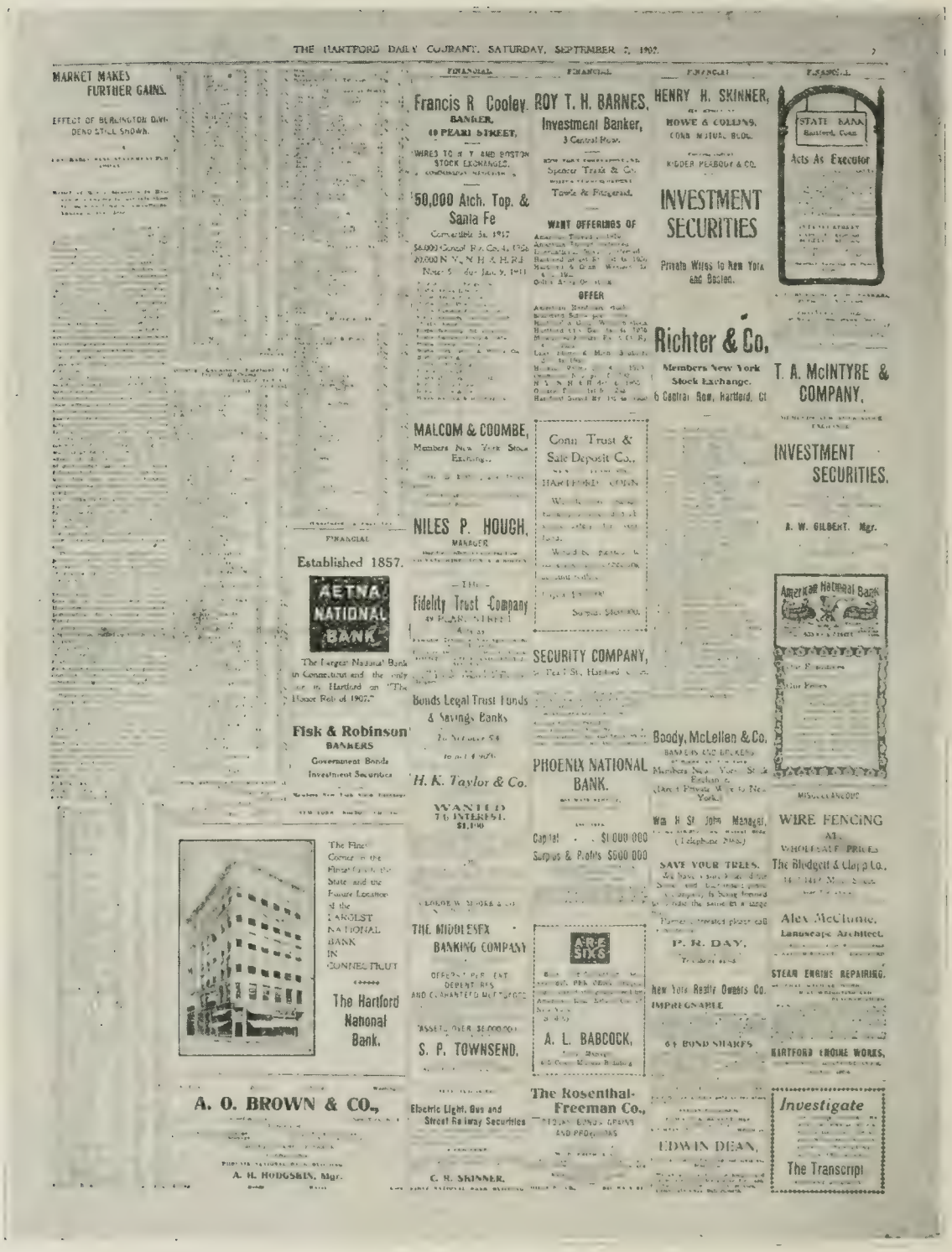

THE HARTFORD DAILY COURANT, SATURDAY, SEPTEMBER 7, 1907.
MARKET MAKES FURTHER GAINS.
EFFECT OF BURLINGTON DIVIDEND STILL SHOWN.
FINANCIAL
Francis R. Cooley.
BANKER,
40 PEARL STREET,
WIRES TO N. Y. AND BOSTON STOCK EXCHANGES.
50,000 Atch. Top. & Santa Fe
Convertible 3s. 1917
ROY T. H. BARNES,
Investment Banker,
3 Central Row.
Spencer Trask & Co.
Towle & Fitzgerald.
WANT OFFERINGS OF
OFFER
HENRY H. SKINNER,
HOWE & COLLINS,
CONN. MUTUAL BLDG.
KIDDER PEABODY & CO.
INVESTMENT SECURITIES
Private Wires to New York and Boston.
Richter & Co.
Members New York Stock Exchange.
6 Central Row, Hartford, Ct.
STATE BANK
Hartford, Conn.
Acts As Executor
T. A. McINTYRE & COMPANY.
INVESTMENT SECURITIES.
A. W. GILBERT, Mgr.
MALCOM & COOMBE,
Members New York Stock Exchange.
NILES P. HOUGH,
MANAGER
Fidelity Trust Company
Bonds Legal Trust Funds & Savings Banks
H. K. Taylor & Co.
WANTED
7% INTEREST.
$1,100
Conn. Trust & Safe Deposit Co.,
HARTFORD, CONN.
SECURITY COMPANY,
PHOENIX NATIONAL BANK.
Capital $1,000,000
Surplus & Profits $500,000
Boody, McLellan & Co.
BANKERS AND BROKERS
Members New York Stock Exchange.
(Direct Private Wire to New York.)
Wm. H. St. John, Manager,
(Telephone 3988.)
SAVE YOUR TREES.
P. R. DAY.
New York Realty Owners Co.
IMPREGNABLE
6% BOND SHARES
EDWIN DEAN,
American National Bank
WIRE FENCING
AT
WHOLESALE PRICES
The Blodgett & Clapp Co.
Alex McClume,
Landscape Architect.
STEAM ENGINE REPAIRING.
HARTFORD ENGINE WORKS.
Investigate
The Transcript
FINANCIAL
Established 1857.
AETNA NATIONAL BANK
The Largest National Bank in Connecticut and the only one in Hartford on "The Honor Roll of 1907."
Fisk & Robinson
BANKERS
Government Bonds
Investment Securities
The Finest Corner in the Finest Town in the State and the Future Location of the LARGEST NATIONAL BANK IN CONNECTICUT
The Hartford National Bank.
THE MIDDLESEX BANKING COMPANY
S. P. TOWNSEND.
A. L. BABCOCK,
A. O. BROWN & CO.,
A. H. HODGSKIN, Mgr.
Electric Light, Gas and Street Railway Securities
C. R. SKINNER.
The Rosenthal-Freeman Co.,

FIGURE 2

15 per cent. more for space, just because it pays its own man in preference to having an advertising agent do its work. The advertising agent charges from 5 to 15 per cent. on the net expense for his services and always gets 10 to 15 per cent. from the newspaper. The advertiser is thus in a position, by dealing with the agent, to make a saving of 1 or 2 per cent. This, however, is more than wiped out by the expense of the advertising man, department, etc.

The Agent's Pay

In a very few cases the agent can give that special and exclusive attention to the wants of a bank in a way that will insure a thoroughly personal advertising campaign. But more of this later on.

Having decided, however, on the amount of money to be spent, and thereby the question of space, the next question is, in what part of the paper shall the advertisement appear?

What Part of the Paper Pays Best?

A newspaper has many interests which it attempts to serve. In most of them there is a woman's page, as it is editorially known, there is a sporting page, a financial page, local news page, editorial page, market page, and the general news pages.

At first blush the average banker would say that the financial page or the market page was the place for the bank advertisement. In a way that may be true, depending somewhat on the character of the bank or company.

Safe deposit companies should advertise on either the woman's or the financial page; trust companies on either the local news, where the building and similar news is generally put, or on the financial page; savings department advertising, whether of bank or trust company, should always appear on the home page; the commercial bank, dealing almost entirely in paper, should appear either on the market or financial page.

The only exception to these classifications is where the paper's policy will permit any one of these advertisements to appear in a relatively conspicuous position on a news page.

Different Positions

Most newspapers charge from 10 per cent. to double rates for position. There are various kinds of positions:

(a) Top of column.

(b) Foot of column.

(c) Next to reading matter, which may be either alongside, underneath or over reading matter.

(d) Next to and following reading matter.

ft Commerce

BULLETIN

COMMERCIAL BULLETIN

ESTABLISHED 1865

12, 1907.

PRICE FIVE CENTS

23 GLASGOW STEAMERS TO COAL U. S. FLEET

L TRANSPORT SUPPLIES TO UTH AMERICA STATIONS.

In connection with the opening of the new Custom House, we desire to draw the attention of the

IMPORTING AND SHIPPING TRADES

to our exceptional equipment and convenient location for handling business of this character. Your account is invited.

THE

SEABOARD

National Bank

18 B'way, 5 Beaver St.

Resources over $27,000,000.

RETAIN COLONEL MARSHALL.

Steamship Men and Underwriters Make the Unanimous Request.

LABOR LEGISLATION AGAIN TO BE SOUGHT

CONTEST TO RAGE FURIOUSLY DURING WINTER SESSION.

Vigorous Campaign Is Being Planned —Old Demands to be Renewed— New Schemes Being Hatched— Line-up in Presidential Contest.

Demands of Labor Men

FIGURE 3

Position Terms

(e) Next to and above reading matter.

(f) Top of column surrounded by reading matter, bottom of column next to and following reading matter.

(g) Full position, which means surrounded with reading matter.

Full position, of course, is considered a most exclusive position and the best an advertisement can obtain, and is rarely granted in any reputable paper.

Theoretically the intent and purpose of a publisher is, of course, to make money. Advertisements make him his money, therefore he endeavors, in-so-far as he possibly can, to suit his advertisers and obtain results for them. This is the right way to look at the matter. Practically, however, many publishers, after they have achieved a certain amount of success, will assume a very independent attitude on the question of position, and if they think you have to use their publication, will make you pay the penalty.

The Best Position in a Newspaper

If I were asked what was the best position in the paper I would say, with every reason to support me, that it was the top of column, next to and followed by reading matter, on a page devoted to the news of the day. This brings the advertisers in line with the headlines of the newspaper, and if it is properly displayed, cannot help but hold the attention.

In Figure 1 I show an advertisement in this position in the "New York Sun." I understand this position calls for a very considerable advance over the regular rate, and for propositions such as will stand it, the rate can be earned.

Position is a very vital proposition in the eyes of some people.

Analysis

In the eyes of others it has been deemed worthy of no consideration. I consider it is one of the most vital things that enters into newspaper advertising. In Figure 2, for instance, is shown a page taken from the "Hartford (Connecticut) Courant," which illustrates a page of financial advertising. What benefit can possibly accrue to these advertisers with their advertisements absolutely without personality or quality of human interest, thrown here together in a mass and jumble of types, can hardly be conjectured. This shows the average manner of handling the question of position.

Contrast this proposition for a moment with the advertiser who takes position like Figure 1, or another in Figure 3. Is it not a fact that

the position shown in Figure 1 is worth two or three times as much as any position shown in Figure 2?

Top of column position is, of course, excellent. The average man in looking through a paper seeks the top of the column, for there are generally displayed the head lines of important articles, and long usage has created this habit.

Using Space to Best Advantage

A half column deep and two columns wide is more effective than a full column in single column space. Position to the right of reading matter is much more preferable than position to the left of it. As the eye in reading travels from left to right, so it travels from left to right of the printed page.

Advertising position in the evening papers is somewhat different from advertising position in the morning papers. Position on the editorial page of a morning paper is not so valuable as it is on the evening. The evening paper generally has more special feature articles on the editorial page.

Best Positions in a Magazine

Position in the weekly and monthly magazines is narrowed down to a comparatively few possibilities. Advertising, for instance, in a monthly magazine having no reading matter position, such as "McClure's" and "Everybody's," has but a few positions.

First, the second page of cover; *second,* page facing second page of cover; *third,* page facing contents page; *fourth,* page facing first page of reading matter; *fifth,* page facing last page of reading matter; *sixth,* page facing third page of cover; *seventh,* third cover page; *eighth,* fourth cover page.

Sometimes special rates are asked for position guaranteed on right hand pages, it being considered that a right hand page is more advantageous because a person in reading a magazine, has the right hand page flat, while the left hand page is generally on an angle, out of the direct line of vision.

Rates for Positions

The average rate for a second cover page would be twice the rate for a regular page; page facing second page of cover would be 50 per cent. to 75 per cent. more than the regular rate; page facing first page of reading would be twice the regular rate; page facing last page of reading, twice the regular rate; page facing third page of cover 25 per cent. more than the regular rate; third cover page, twice the regular rate; fourth cover page, three to four times the regular rate. This schedule, however, is not by any means a standardized pro-rating.

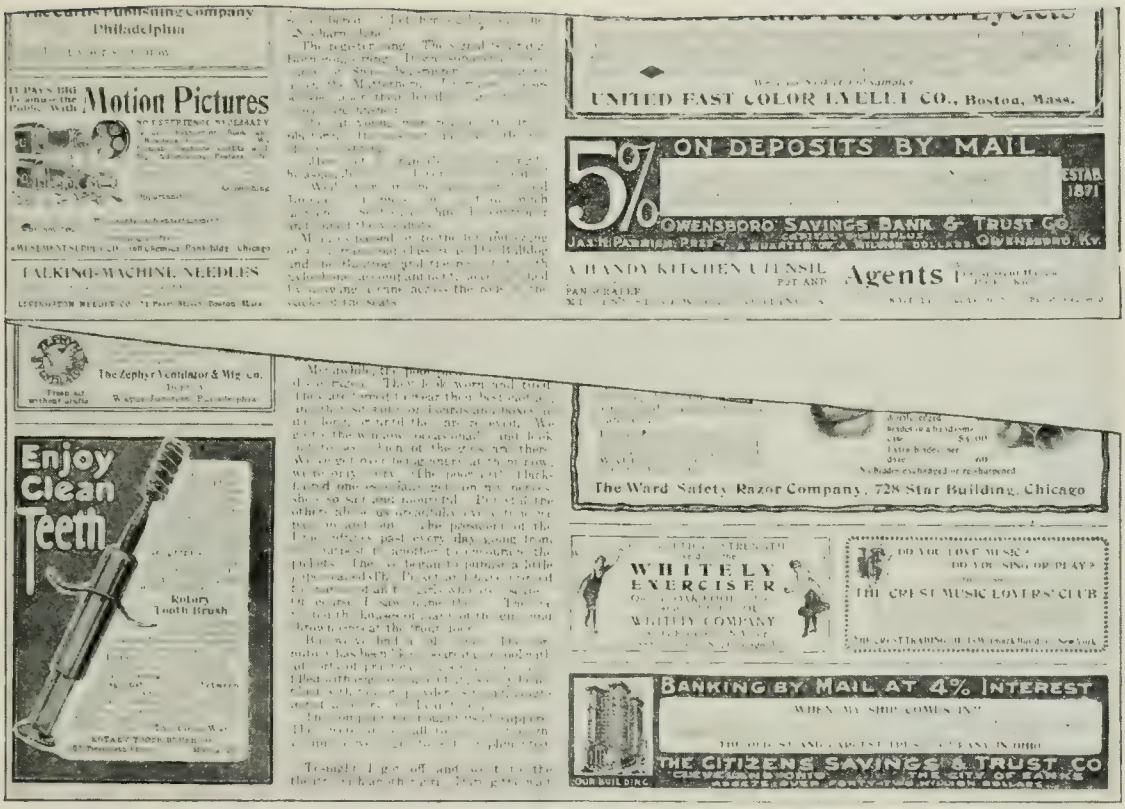

Philadelphia
Motion Pictures
TALKING-MACHINE NEEDLES
UNITED EAST COLOR LYELLI CO., Boston, Mass.
5% ON DEPOSITS BY MAIL
OWENSBORO SAVINGS BANK & TRUST CO
A HANDY KITCHEN UTENSIL
Agents
The Zephyr Ventilator & Mfg. Co.
Enjoy Clean Teeth
Rotary Tooth Brush
The Ward Safety Razor Company, 728 Star Building, Chicago
WHITELY EXERCISER
WHITELY COMPANY
THE GREAT MUSIC LOVERS' CLUB
BANKING BY MAIL AT 4% INTEREST
THE CITIZENS SAVINGS & TRUST CO

FIGURE 4

THE SATURDAY EVENING POST
GOLD BONDS
MONTHLY INSTALMENTS
5%
YOUR SAVINGS
SECURITY ON EARTH IS EARTH ITSELF
Is Your Money Earning 6%?
If Safety is Your Aim Get Your Money in
TAX BONDS
Yielding 5% to 6%
Great Central West At Decided Bargains
Manufacturers!
Portsmouth, Virginia
6% CERTIFICATES of DEPOSIT
SALT LAKE SECURITY & TRUST CO.
SALT LAKE CITY
YOUR SAVINGS
Our Bank Money Order Plan of BANKING BY MAIL
4% Interest
Industrials Investigated
Are You Interested in Florida?

FIGURE 5

In some cases this percentage would put a prohibitory rate on the space and in such a publication as "The Ladies' Home Journal," where the rate for the back cover is a 50 per cent. increase, the cover page is taken ahead for many months. Special cover positions in this publication are generally sold ahead from a year to eighteen months.

Why Cover Pages are Not So Valuable

Cover page positions are rarely of any value to advertisers engaged in an educational work. Advertisers desiring general publicity, such as is sought for soaps, food stuffs and articles of the widest general consumption, can use these special display positions to some advantage.

The bank advertiser, however, can find little real value in mere publicity. The bank advertiser wants an opportunity to get down close to the man and talk to him in a way that he cannot forget. In such periodicals as "The Ladies' Home Journal," "The Delineator," "Woman's Home Companion" and similar monthly publications, where there is a large number of reading matter positions, we can follow the same rules relative to position as is laid down in the suggestions regarding newspaper positions.

Monthly publications having reading matter positions, such as facing reading matter, are valuable to the advertiser, for they give an opportunity for the reader of the magazine to be caught off guard. Particularly is this true when position can be obtained alongside of an article that particularly deals with the subject of the bank's advertisement.

Analysis

This can be best illustrated by a series of articles that have been running for some time in the "Saturday Evening Post." These positions are shown in Figure 5 and Figures 2 and 3 of Chapter X.

This is an excellent position for the particular advertisements, because they are in harmony with the talks, and such a position would well be worth 10 to 25 per cent. more than the ordinary rate of the paper.

In deciding on the question of position it is very important that the advertiser study the publication in which he is to advertise. For instance, in this same issue of the "Saturday Evening Post" appear several other advertisements of bankers. Two in particular, appearing in another portion of the paper, show an electrotype one inch deep and two columns wide. (Figure 4). Its position is not nearly so effective or noticeable, and if the advertiser had been fully alive to his opportunity he would have used a four-inch single column space and required it to be placed on the same page with this series of investment talks, even if it had cost him a per cent. or so more to get the coveted position.

In Banking Publications

Position and space in banking publications often save the day for profitable returns. As a rule the banking publications run all the positions that can be found in a daily newspaper.

It gives them an opportunity to bargain, and frequently an extra position is thrown in for the rate charged for position in the body of the advertising section in consideration of a contract for one year.

Some banking journals run advertisements on the front cover page. This position I have not given much consideration. A banking journal is rarely a thing of beauty and is not retained for its appearance. By little chance is it left to occupy valuable space on a library or office table. The advertiser should go where the readers of a publication are—inside the book. He should get position next to reading matter at the top of a page. If he uses full pages he should take position opposite full page of reading

These positions are worth a difference in cost provided the quoted rate is a market rate paid by the advertisers in a well patronized journal.

CHAPTER XII

STREET CAR ADVERTISING, OUT-OF-DOORS ADVERTISING, SPECIAL PUBLICATIONS, THEATER PROGRAMS, ETC.

ADVERTISING SHOULD GO WHERE THE PEOPLE ARE—THE STREET CARS AS A MEDIUM—SIZE OF CARDS—POSITIONS IN CARS—WHO CAN USE SPACE—PARTICULAR KINDS OF COPY—ANALYSIS OF DIFFERENT SUGGESTIONS—THE EVOLUTION OF A SUCCESSFUL STREET CAR CARD—THE SELECTION OF CAR LINES AS IMPORTANT AS THE SELECTION OF A NEWSPAPER—SOME GOOD AND BAD EXAMPLES—WHAT STREET CAR ADVERTISING COSTS—WHAT SOME SAVINGS BANKS SAY—THE EXPERIENCE OF A TRUST COMPANY—WHAT A BALTIMORE BANK FOUND OUT—INTELLIGENT USE OF STREET CAR ADVERTISING COMING—INVESTIGATE AT FIRST HAND THE KIND OF PEOPLE WHOM A LINE APPEALS TO—THE WAR AGAINST BILLBOARDS—WHAT THEY HAVE DONE TO RICHLY DESERVE THE CONDEMNATION—ENLIGHTENED PUBLIC OPINION—TACOMA, (WASHINGTON)—THE AMERICAN CIVIC ASSOCIATION WAR—JUDGE WELCH (SUPERIOR COURT OF SANTA CLARA COUNTY, CALIFORNIA) AND HIS OPINION—UP TO THE BILLBOARD PEOPLE TO REGULATE THEIR WORK—WHAT THEY SAY FOR THEMSELVES—BETTER AND MORE ARTISTIC POSTERS—REASONABLE AND EQUITABLE REGULATION—COST OF POSTER WORK—WHAT IT COSTS TO COVER A TERRITORY—THE "COPY" FOR BILLBOARDS AND ITS CHARACTERISTICS—EARL OF BELCARRES—SCHOOL AND COLLEGE PUBLICATIONS—THEATER PROGRAMS

Where Are the People—That is the Place for the Advertiser

"WHERE shall I advertise?" asked a young man, who was about to engage in a business needing advertising.

"Wherever people are," said an uncle, who had made a fortune through advertising.

That contains the whole justification for street car advertising.

People ride in street cars.

It is the greatest handler of all classes and grades of humanity.

While riding people have little chance to do anything else but read the signs, cards, etc., shown in the racks overhead; especially is this true of women.

For a number of years street car advertising was on a very unsettled basis. The rates were variable, the service was uncertain and little reliance could be placed on the statements of car circulation. The advertising was a privilege let to some political ringster with whom the car company wished to maintain close relations, and by him farmed out to some advertising shark, who brought to the game of selling the space the same morals and conscience as the old "special edition" and "firemen's parade program" grafters brought to their projects.

Today, however, the street car advertising privileges are placed on a more business-like basis, and the concessions are made to yield a fair

return to the company treasury, politics have been eliminated to a degree, and the concessions are in the hands of recognized advertising concerns who make a specialty of making street car advertising profitable to the advertiser.

The regulation street car card is 11x21 inches in size and the spaces are immediately between top of the windows and the roof of the car.

The Street Car Method

There are two types of cars in general use—one with seats arranged in pairs facing the motorman, and the other with seats facing each other, parallel with the car windows.

It is a much mooted question among advertisers which style of car gives the best service. It is apparent that the man who is seated half way forward in the first style of car, for instance, cannot see the cards behind him, while he can see most of the cards on either side of the car ahead of him.

On the other hand, the man who is seated on one side of the car can generally see all the cards on the opposite side, but he cannot see the cards on the side on which he is seated.

To meet this condition many advertisers buy two spaces, one on each side of the car.

The space of 11x21 inches affords an opportunity to say something and to illustrate it.

The car advertiser cannot forget, however, that he is using a sign, and that he is talking to people at a distance.

John Wanamaker's New York advertising manager, who used street cars, said there was room for about fifty words of description on a street car card.

That proves to be about right. Somewhat dependent, however, on the use made of the space, arrangement of the wording, etc.

How to Use a Street Car Card

The matter of attracting attention is just as important in car card advertising as elsewhere; so are the points of awakening interest and persuading to some action.

The limitation of space, the distractions of the shifting scenes and the changing noises are hard to overcome, and make street car advertising a trifle more difficult than most forms of printed advertising. When analyzed, however, but little difference will be found between the accepted

principles of successful car advertising and those of successful newspaper and magazine advertising.

The item of suggestion becomes of increasing importance in a style of advertising that must attract and interest quickly and amid so many insistent and distracting influences. **Suggestion Important**

Street car cards must be suggestive rather than argumentative, would be the first reasonable conclusion, the physical limitations of the space considered.

We have gone all over the question of suggestion in another chapter, and have given consideration to the formation of the opinions and feelings of crowds.

We have seen how little reason, argumentation and logic have to do with the persuasion of crowds—how a catch phrase seizing the popular fancy will elect presidents—how the most illogical, unreasonable and absurd things can be accomplished with the aid of individually logical, reasonable and rational people—through knowing how to manipulate the suggestive force of the crowd. **How to Handle the Car Card**

The successful street car advertiser has realized this, and you will see more of the successful street car advertisers using the second person in all their copy.

When I call it suggestion I do not mean, however, an entire elimination of argumentation. I mean a combination of the two—with the suggestion showing strongest in the picture.

For instance, a picture on a street car card shows a jolly old gentleman enjoying himself with the young folks—the text says:

> **A jolly old age is the result of a savings account in youth**
>
> **FIRST NATIONAL BANK**

Another style of advertising that carries the force of suggestion is a series of pictures on the principle of Hogarth's "Rake's Progress." For instance, on one end of the card was a picture of a young man at the **Using the Picture**

races, betting on a "30 to 1 shot," at the other end of the card a man begging at a back door. The text was:

Dollars saved by the boy
mean luxuries for
the middle
age

FIRST NATIONAL BANK

While such a series of cards are preachy and calculated to offend some, yet among the factory families and working men they have made a profound impression.

The Omega Oil Lessons in Suggestion

There are many opportunities for suggestive treatment of this kind, probably some of the most notably suggestive cards are those of Omega Oil, as shown in Figure 1, the suggestion in the "Backache" and "Sprain" cards is especially strong. Even the type cards are the suggestive sort, for they hit off the ordinary man's way of thinking of a medicine.

Suppose, for instance, a picture showing a man standing with pockets turned inside out, disgusted look on his face, with the wording:

Anything Saved?

PEOPLE'S SAVING BANK

12th Street

There's the suggestion, and it cannot help but make a powerful impression on the man who has ever "been there."

Suppose This

Suppose another one. Picture a workingman, hat pushed back, discharge slip in his hand, looking at it, worried and anxious—same text could be used.

The lesson of that simple picture would sink home and bring many a man to time where long argument would probably be overlooked.

Keep yourself in running order with Omega Oil.

21

Omega Oil cures all bodily aches and pains, and that's all there is to say.

20

FIGURE 1

Such advertising, however, cannot be used exclusively. There must be constructive and educational work done.

Some Street Car Experience

It has to be handled somewhat differently, however, than ordinary copy. Let me quote from an article that appeared in a little publication* devoted to street car advertising:

> The strength of the copy is its condensation. In those two hundred square inches, in type large enough to be carefully read, there must be printed the words whose magic is to "bring business." . . . .
>
> Your car ad must not omit any essentials. It must not sound like a fragment from a book index, and yet it can't take for granted that the public knows any of the details of the advertised article, on which you might build your argument. . .
>
> Each car ad attempts to drive home one good point. The reader's mind is pinned to one good argument without distraction. That argument is the first thing he reads; it's the last he reads—and the first and last impressions usually stick.
>
> In digestible doses the car series sends home, one by one, the truths of a selling story. Were those truths collated they might be wearisome reading; very possibly they might not be read at all. . . . .

How Copy is Prepared

To illustrate: A bank text, prepared in this office, was received here in the following form:

> **Much trouble is saved by paying bills with checks.**
>
> **The check acts as a receipt for payment.**
>
> **Put your money in the Dime Bank, subject to check, and avoid ugly disputes.**

The point is well taken, but the reading is flat. The advertisement was revised to read as follows:

> **You may SAY you paid your bill, but you can't prove it.**
>
> **You could if you had used a check.**
>
> **A check prevents arguments.**
>
> **Put your money in the Dime Bank, subject to check, and avoid ugly disputes.**

But this form did not look or sound sufficiently interesting. It had some of that homely, personal, convincing quality, but not in sufficient degree.

*"The S. R. A. Quarterly" July, 1904.

The form was recast and recast till it took and was finally passed in this shape: The Result of Care

> **"You didn't!"**
> **"I did!"**
> **"You didn't!"**
> **Hush! Stop Disputing!**
> **You can PROVE that you paid that bill if you paid it by check.**
> **Put your money in the Dime Bank, pay by check, and avoid ugly disputes.**

Doesn't this form look interesting?
Doesn't it sound more interesting?
And doesn't it carry more of the personal quality—the convincing quality?

That is an indication of how copy for street car advertising is built.

Beside the questions of copy there are just as many questions relative to positions, printing, circulation, influence and character of people reached in street car advertising as in any other.

In a large city, for instance, the selection of the car lines is important. Probably it would not pay to go into all the street cars of a city like Boston, New York or Philadelphia.

For instance, the cars on Chestnut and Walnut Streets in Philadelphia pass by the doors of nearly all the large financial concerns, commercial and savings banks and trust companies. The cars on these two streets tap the richest sections of the city and some of the outlying middle class sections. Companies desiring to greet the wealthiest classes of the city could use these two lines. The cross-town lines east of Broad street tap the great factory districts and could be used to advantage by savings banks. In Philadelphia, for Instance

This knowledge of the class of people carried by the different lines sometimes makes it necessary to change the copy. A trust company will use cards advertising trust company features in the lines carrying the wealthy class of people, and in the factory and mill lines it uses savings bank advertisements. Figure 2 shows a card used by a trust company in a section where a large Hebrew population were the patrons.

The car card shown in Figure 3 exhibits a conventional card of the bold announcement order. A project that had so much to talk about as a Night-and-Day Bank should have more said of its mission, it would seem, than this. This card, however, is a fair sample of the poster atti-

FIGURE 2

FIGURE 3

TITLE·GUARANTEE·&·TRUST·Co

WHY do we do most of the title insurance business in New York City? We ought to. We started first and know more about it than anybody else.

176 BROADWAY, NEW YORK

FIGURE 4

TITLE·GUARANTEE·&·TRUST·Co

A LAW SUIT over a bad title is a legacy your family would prefer that you would bequeath to us and not to them. You can do it. Insure your title. It costs no more.

176 BROADWAY, NEW YORK

FIGURE 5

MONROE NATIONAL BANK

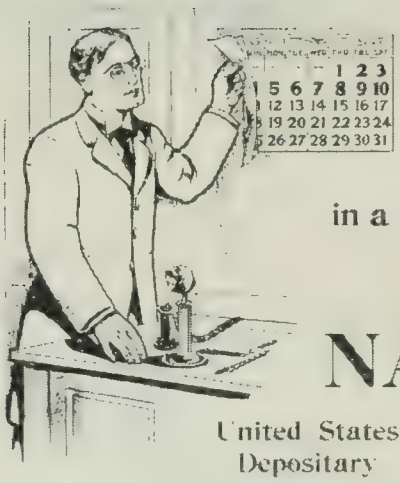
UNITED STATES DEPOSITARY

All savings here are under constant Government supervision.

Put your savings in a National bank—conveniently located.

152 MONROE ST.
(Between Clark and La Salle Sts.)

3% Interest compounded every six months



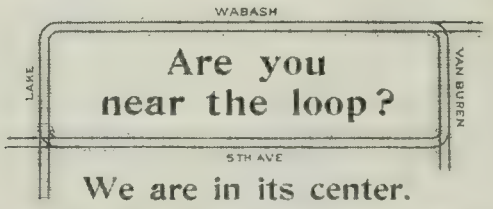
Deposits up to the 10th draw 3% for the full month here. (January or July to 15th.)

Put your savings in a National Bank—under government supervision—in a convenient location.

MONROE NATIONAL BANK

United States Depositary

152 MONROE ST.
(Between Clark and La Salle Sts.)



We are in its center.

Put your savings in a National Bank—under Government supervision—in a convenient location.

MONROE NATIONAL BANK

United States Depositary

152 Monroe St.
(Between Clark and La Salle Sts.)

3% on savings

FIGURE 6

tude towards street car advertising—one which, I think, by the way, is absolutely in error.

In Figure 4, for instance, I think we see the suggestive quality brought out in a statement that can be easily and quickly read, and is much more effective than the way Figure 3 handles its message. Figure 5 is in the same line and is calculated to impress any man or woman of property with the value of title insurance.

Figure It Out for Yourself

The best position for street car cards can be determined the next time you ride in your street car. The principle object you wish to attain is—being seen and read by the greatest possible number of people. The next time you are in the car study the crowd, where the most people stand or sit, and there is the place to have your card—where that crowd can see and read it.

Another question often asked is: Can street car advertising take the place of newspaper advertising?

Such questions as these always induce that tired feeling that the question incites, "If your mother and your wife were in danger of drowning, which would you endeavor to save first?"

There is about as much sense in the one as in the other.

In some towns the newspapers would have an admitted advantage over the few street cars employed. In another case the street cars would have a great advantage in reaching the people. In some large cities the newspaper condition is such that the rates are almost prohibitive, except to the very largest banks, while the street car advertising can generally be purchased by the car by the month.

The Cost of Street Car Advertising

Street car advertising generally costs about 50 cents a month for three months; 45 cents for six months, and 40 cents per car for twelve months. When less than full time is used five cents additional per car per month is charged.

There have been attempts made to compare street car and newspaper advertising, to the disadvantage of one or the other, depending on the personal interests of the critic. It seems to me to be a bootless and somewhat academic discussion leading to a blank wall of no conclusion.

Street car advertising is good—it is compelling and suggestive when rightly used, but it cannot take the place of the newspaper for retail adver-

tising, for instance—it is not as good as the newspaper for all the things a newspaper has been proved good for.

Of Course, It's Good

For bank, title insurance and savings bank advertising street cars are excellent. If I were in a large city and had a limited appropriation, and had a line of cars passing somewhere near my savings bank and could use an electric sign on the bank, I should use car advertising to the mill and factory hands, and concentrate on that advertising. I would change my cards every week, and use the old cards for wall signs in the district, after they had served their purpose in the cars. Of course, I should want Saturday or pay-day night sessions at the bank to receive deposits, and, if possible, a branch in the mill hands' home territory. I venture that such a campaign through the street cars would pay.

The Provident Savings Bank of Baltimore, Maryland, used the street cars exclusively and said: "We are opening a great many new accounts. We are doing no other advertising and we feel like drawing the natural inference."

Experiences from Baltimore and Boston

Probably one of the best ways to test an advertisement is to advertise something that people must ask for, and which they can know of only through the advertisement. The Old Colony Trust Company, Boston, advertised a booklet under the title, "Management of Trust Property," in the Boston cars. One of the officers afterwards said, "I must say that card gave us a special opportunity for testing the value of street railway advertising. We inserted the card in the car for two months and it was the only place where we advertised the pamphlet. This immediately created a demand for the pamphlet varying from thirty to fifty requests a day. As soon as we discontinued the card the demand fell off to almost nothing."

Another One from Baltimore

Another Baltimore bank and one whose newspaper copy I have had reason to compliment, recently said: "We think very well of the cars as a medium through which to reach the people. I am satisfied that the advertising we have done in the street cars of Baltimore has added, I will say, at least nine hundred new accounts, that will perhaps aggregate $800,000, and all within the past twelve months. I consider this $800,000 of deposits as a source of revenue worth $25,000 a year to this bank."

Baltimore has about 825 street cars, which on a yearly contract for all the cars would represent, at the average price per car, about $4,000 a year, and allowing another $400 for cards and incidentals, we see that the bank realized a very comfortable profit on the investment.

This condition exists in all large cities and some of the largest towns.

Where Time Does Not Enter

It may be said, without doing injustice to the legitimate claims of magazines and newspapers, that street cars are good mediums for any offering where the element of the hour and the day does not enter.

Bargains for a day, announcements of the day, are not capable of business-like handling in street cars, not so much because the medium is not a good one, but because the cost of printing the cards and making the changes would place an almost prohibitive burden on the possible returns. For bank advertising, when placed where it will reach the particular people to whom the bank or trust company appeals, it is a source of profitable advertising.

Not Tried by the Mail Order Banker

For mail order bank advertising the experiment has yet to be tried. Some mail order street car advertising has paid. The principal difficulty in such cases would seem to be impressing the name and address on the possible customer so deeply as to make him remember it when he got an opportunity to write to the advertiser.

The mail order bank has to get its action at once; i. e., the inquiry for the booklet, etc., must come almost on the heels of reading the advertisement.

The local bank has a different position. Here are several car cards issued by a bank in Chicago. (Figure 6.) The card showing the bank's location was shown in all cars making the "loop," as it is known, and served to call the attention of the passengers to the fact that they could ride almost to the doors of the bank. The copy of these particular cards was addressed to the people at a time when a state bank in Chicago had been having some difficulty.

Some Chicago Bank Advertisi in Street Cars

Figure 7 shows a rather over-confident trust in a mere business card. It cannot compare in dignity or forcefulness in the eyes of the average man to Figures 3 and 4. Figure 8 suffers from the same lack of interest. Figure 9 shows three cards, of which that of the Lincoln Trust Company would appear the most convincing and suggestive. The Hamilton Bank and its offer of "4 per cent. interest on special deposits" is rather vague, as most of those who read that card will wonder what kind of deposits "special deposits" are. That, no doubt, is exactly what the Hamilton man wanted the people to do. I am afraid, however, that little lacking in the absolute candor which we like to see in a bank, hurt the possible business that would have come as a result of the 4 per cent.

Chicago Methods

The card of the National Produce Bank of Chicago is a rather colorless invitation to North Side business men, but it is neatly arranged and printed. The North Side feature should have been given more prominence.

Finally, the old time prejudice against street car advertising will probably give place to an intelligent use of the opportunities it gives. This will come about when those who have street car advertising space to sell realize that any advertising space must produce results if it is to continue to be used; that it is cheaper and better business to keep one advertiser filling more and more space year after year than it is to be selling space to new advertisers.

The street car advertiser has suffered at the hands of the over-anxious and over-confident solicitor, who has loaded him up with cars, and left him to use the space ineffectually, if not actually to his detriment. The result has been a lot of sore spots, and the relegation of street car advertising to the wholly supplemental class of advertising.

Changes Going on in Street Car Advertising

The time of intelligent and organized and scientific use of street car advertising is at hand, and the financial proposition is in a position to take full advantage of it, judging the medium exactly as we would any other, by the number of possible customers it can introduce him to at a minimum of expense.

When you come to select your medium, and if you have to choose between local newspapers and street car space, ask yourself these questions, and also ask them of the representatives of the newspapers and street cars, and on the results you cannot go far wrong:

Who reads your medium?

How much of a circulation did you have last year, counting newspaper copies sold, not multiplying by five for family circulation?

Getting at the Cost of Car Advertising

How many paid rides were sold on your cars?

Get the rates.

What position can you obtain?

What will be the cost of your cards, your illustrations, engravings, if you use the street cars?

What other banking propositions have these street car people successfully handled?

How much circulation has each paper in the particular district you want to cover? **Getting the Data**

Compare that circulation with population of the territory and the number of paid rides of the lines traversing the territory.

Go over the territory several times, at the slack hours and during the busy hours—drop in at some of the news-stands in the territory—and after you have your data do some plain, common-sense thinking on your own part.

Let us consider the bill-board or poster method of advertising.

Some time ago Nathaniel C. Fowler, Jr., one of the most picturesque and epigrammatic of advertising specialists, laid down this fiat:

> The fundamental basis of all good advertising, whether it be of national or local character, is vested in the newspaper and periodical of regular issue. . . . The advertisement which the reader pays for the privilege of seeing is worth a dozen times more than the advertisement thrust upon him. From the reader's standpoint the bill-board advertisement is something for nothing and commands the respect of nobody.

That seems to strike at the very heart of the subject, and certainly the bill-board has to overcome a growing hostility on the part of a very considerable portion of the public. I believe, however, the same as in the case of novelties and street car advertising, that the medium has suffered by the indiscretion of its champions. **Why We Dislike the Bill-Board**

The bill-board man has trampled under foot and ridden over the privileges of all and sundry of his fellow men until he has the public, collectively and individually, ready to "take the bread out of his mouth."

Leaving out of the question the advertising value of a bill-board and a poster, which I shall consider and hereafter refer to under poster advertising, it certainly can do an advertiser very little good to use a style of advertising which will arouse the active hostility of any one of his possible customers.

The poster people have erected their boardings in residence sections; they have posted the most indecent and obscene paper in sections where it became a menace to the morals of school children and a source of discomfort to decent-minded people. Let me quote from some correspondence between a well known advertiser and a Tacoma (Wash.) Improvement Society, as reported in an article by Vice President Clinton R. Woodruff of the American Civic Association: **Some "Kicks"**

> The society's correspondence with advertisers has been most illuminating and instructive, and the following letter and reply contain, in my judgment, the crux

A Letter from a Poster Protestant

of the whole question: "We have yours of the 21st ult., advising us that you do not approve of bill-boards in Tacoma, some of which contain our posters. We do not agree with you that our posters are ugly and unattractive, altho the putting up of posters generally does not tend to beautify a city. We do not know how we can help you at the present time, as we have let a contract with the bill-posters to post your city for two or three months' standing. After that has expired we may not place any more. But we think the best way to get at this would be for you to have a law passed in your city prohibiting bill-boards from disfiguring the city.

It is natural for a manufacturer to advertise his wares in every possible way, and you could not expect us to have much concern for the beautifying of cities. That is, we might individaully, but not as advertisers."

This is a very frank avowal of the attitude of the advertiser, who "is not in business for his health." The reply of the improvement society, however, is most effective. Here it is in full:

If you read our letter again carefully you will see that we did not say that your posters were "ugly and unattractive," but that the bill-board system of advertising is.

You state that you "do not have much concern for beautifying cities. That is, we might individually, but not as advertisers."

The people whom you are trying to reach are "individuals" and take pride in beautifying their city and "have concern" in so doing. It appears to us that you as an "advertiser" must take note of this feeling of the people of a city in opposition to bill-boards that disfigure the city, because if a system of advertising is distasteful to people it is not a good system, is it? Your object is not to offend people, but to attract them, is it not? You, possibly, would not desire to have bill-boards placed near your own home. Other people feel the same way.

How many goods would you buy of a traveling man who came into your office and presented his wares to you in an offensive manner? The manner of your advertising strikes other people the same way.

If you cease to have your posters placed here you will oblige and receive our thanks.

When advertisers appreciate this position fully and realize that 300 live, vigorous heads of families are ready to back it up by their personal cooperation, it will not be long before all the bill-boards in the North End district of Tacoma will remain unused.

This is an example of the people's attitude, and it would seem, as Judge Welch of the Superior Court of Santa Clara County, California, after quoting Freund on "Police Powers," has said:

On Police Powers

"It is conceded that the police power is adequate to restrain offensive noises and odors. The same protection to the eye, it is conceived, would not establish a new principle, but carry a recognized principle to further application." With this as authority, Judge Welch declared that a "glaring bill-board set opposite a man's house in a vacant lot bordering upon a public highway in a country town devoted to homes, is just as offensive to the immediate residents as would be the maintenance of a pig-sty, giving forth offensive odors, or the maintenance of a stone-breaking machine." Stating the fact that "a business, otherwise lawful, may be-

come a nuisance by extraneous circumstances, such as being located in an inappropriate place," he adds: "It would be a singular result of our laws if relief could not be had against the maintenance, for purely advertising purposes, of an uncouth billboard erected opposite my house, having painted upon it grotesque advertisements and constantly, hourly and daily, a detriment to my property, and a serious injury to the feelings of myself and family—or, if an ordinance having for its object the suppression of this nuisance could not be declared valid."

"Police Powers," by Julge Welch

I have taken up this part of the bill board question first, because it is the one that will appear quickest to the man of good taste and any pride in his town and country.

In a recent address before the convention of bill-posters, Mr. Albert de Montluzin, manager of the United States Lithograph Company, one of the largest makers of posters in the country, said:

"I feel that the only way to fight the people who find objections to the bill-boards, or rather to the posters that are on the bill-boards, is to give them such good posters that they will stand in admiration and support of the bill-boards, and they will delight in the sight of them, that they will look for new posters, that they will want to buy them, that they will not feel ashamed to see their names as manufacturers displayed on those boards, etc."

Need of Regulation

There is a deal of sense in what the gentleman had to say, but we have far to go before we can hope to reach the Utopia he pictures. Bill-boards need regulating just the same as newspapers. We have seen advertisements displayed on the bill-boards that would not get past the postoffice authorities. This should not be, and until the posters are cleaned up and the posting brought under the control of decency, a bank must always lose some caste and prestige with a certain better and intelligent class in the community, when it uses posters. There is an inevitable stigma that attaches to a kind of publicity that for a generation has been associated with the lowest forms of advertising.

Inherently it is not what ignorance and vicious indifference to the rights of others have made it.

In France and Germany, for instance, where it is under government control, where the greatest artists give their best thought and talents to poster work of the highest order, where it is taxed, where it has to appeal to the very best class of people in order to pay the advertiser and where

RAILWAY EXCHANGE BANK

15-19 JACKSON BOULEVARD
RAILWAY EXCHANGE BUILDING

FIGURE 7

14TH STREET BANK

RESOURCES $11,000,000.00

14TH ST. & 5TH AVENUE
14TH ST. & 9TH AVENUE
345 GRAND STREET

Special Terms on Surplus Funds and Savings

Member New York Clearing House

FIGURE 8

the individual does not have to undergo the horror and the shame of obscene pictures staring in his home windows from the vacant lot across the street—poster advertising is a legitimate and a powerful force in the creation of business.

Some Interesting Facts About Poster Advertisin

Some of the facts about poster work are interesting for those who are considering the advisability of using it.

Posters are printed or lithographed on special paper, in sheets of the standard size of 28x42 inches. The poster stands are arranged to hold 2, 4, 8, 12, 16 or 24 sheets and more.

The sheets cost from $130 per thousand for an eight-sheet poster, high-grade pictorial work, in one color, up to $182 per thousand in five-color work, both in five thousand lots. For single thousands add 70 to 80 per cent. to the thousand price.

The tendency is constantly towards higher grade posters, and a considerable item must be allowed for the cost of the original design, which is not included in the above prices, that are but approximate.

Painted bulletins differ from posters in the effect and the quality of permanence. In ordering paper posters allowance must be made for replacements made necessary through rain, wind storms and other untoward circumstances.

Painted bulletins are sold at the rate of twenty-five to fifty cents per running foot per month. The displays average ten feet high, but some run twelve to fourteen feet. Special locations are charged for at special rates. Contracts are not generally made for less than six months. The prices include one painting, with a repainting at the end of six months on yearly contracts.

The bill-board side of the proposition is suggested by the following, taken from an article appearing in an advertising journal in 1907:

The Bill Board Side of the Question

The patron of the bill-boards is never in doubt as to getting exactly what he pays for. There can be no question as to circulation or service. The population statistics are at everybody's command, and with the guaranteed service given by the association bill-posters he knows that he will get absolutely full net measure for his money.

The association controls practically every city and town in the United States and Canada. Its members have for sale space on boards that are listed and protected, so that the advertiser knows his copy will get the full showing that he pays for; it will be in the position paid for; will be shown for the contracted time and will be placed before a given number of people.

Six hundred dollars will give you a good showing of eight-sheet posters over the whole State of Iowa, with its more than 2,000,000 people. It will give you a

THE HAMILTON BANK

Pays 4% Interest

ON

SPECIAL DEPOSITS

Main Office: 215 WEST 125TH STREET

—BRANCHES—

1707 Amsterdam Ave., near 145th St. Seventh Ave., cor. 135th St.

DOWNTOWN: BROADWAY & LISPENARD ST.

LINCOLN TRUST COMPANY

Madison Square, New York

GAIN IN DEPOSITS AND NUMBER OF CLIENTS

Dec. 31, 1902....$2,707,116.46	349	Dec. 30, 1905...$17,081,246.13	5,214
Dec. 31, 1903.....7,382,107.29	2,219	Dec. 31, 1906....21,384,142.39	6,951
Dec. 31, 1904....13,150,280.00	3,807	June 8, 1907....25,022,914.78	8,127

UPTOWN: BROADWAY AND 72ND STREET

NATIONAL PRODUCE BANK OF CHICAGO.

Permanent location *in this neighborhood*—a permanent convenience for North Side people.

Checking accounts, savings accounts and general banking business invited.

Capital $250,000
Surplus $50,000

TEMPORARY LOCATION
132 EAST LAKE ST.

3% PAID ON SAVINGS

FIGURE 9

showing every day for four weeks in Des Moines, Dubuque, Burlington, Sioux City, Cedar Rapids, Ottumwa and Clinton and nearly 150 other smaller towns.

The Bill Board' Side of the Question

Some successful advertisers estimate that one eight-sheet poster per 1,000 population is sufficient, yet they will post five eight-sheets in a town of only 1,000 inhabitants. It is safe to estimate the cost of covering cities from 1,000 to 5,000 inhabitants at $2.80 per month. This will give you five eight-sheet posters at seven cents per sheet, and this number of stands will bring your proposition to the attention of pretty nearly every man, woman and child in that town.

It should be unnecessary to state that some cities offer a better field to the outdoor advertiser than do other cities with the same population and cost per sheet for posting.

The city that is compactly built up, with bill-boards in good down-town locations, is much more desirable and a better profit-payer than a city scattered over a comparatively larger area with bill-boards in outlying districts seen by fewer passersby. There are some cities of 25,000 inhabitants where ten eight-sheet posters will get better results than will twenty-five or thirty eight-sheet stands in other cities of 25,000.

I gave $600 as the cost of covering Iowa. If anything, that sum will be more than sufficient for any four weeks' campaign contemplated, for my figures are of necessity general in character and I prefer to have them too large rather than too little. A like sum, $600 can be safely estimated to cover the expenses of a bill-board campaign in Illinois, leaving out Chicago and Cook County. Indiana can be completely covered for $600. Leaving out Cincinnati and Cleveland, $600 will pay for a month's showing throughout the State of Ohio. There is a discount of 5 per cent. on a three months' contract for bill posting, and a discount of 10 per cent. for six months.

The poster advertising can be used in the districts where the small savings account is obtained, but it should be religiously kept out of the residence districts, where the large commercial account is to be influenced. In the former, poster advertising is not considered a community detriment—its influence is not counteracted by a feeling of resentment. It arouses no prejudices and antipathies.

The copy that goes on poster work should be short and terse and easily understood. The copy idea suggested for the street car card would make an effective poster. People do not wander aimlessly along a street reading posters, bill-boards and dead walls.

The poster must catch and hold the attention and do it without apparent effort.

"The Brass Band of Advertising"

Some one has called poster advertising the "brass band of advertising," for want of a better description that fits the case. Just because, however, it is called the brass band some people have seemed to think it must be noise and noise only. It has never seemed to appear to them that the band could be a Sousa's or a Gilmore's or a harmonious, artistic and musical organization of all the best and most æsthetic attributes of successful publicity. It must not be the country village band, blaring in false harmonies, poorly arranged and altogether impossible "pieces."

Dropping the simile and returning to the speaker who spoke of using better designs and better mechanical work, there really stands the solution of the question. People are going to regulate the poster and bill-board. That is as inevitable as the sunrise. It is coming, because the poster man will not do the regulating himself. It is coming in England, where the sign painter has done things that have outraged the equities so far that now there is danger of utter confiscation. The Earl of Belcarres, one of the leading British opponents of the cause of complaint, said:

The Earl of Belcarres

"What we claim is that the landscape does not belong to the man who chooses to pay a few shillings for it per annum, but is an asset of the people at large. The same principle applies to open spaces and places."

In view of the growing objection to the vicious practices, it certainly behooves the financial advertiser to consider the peculiar characteristics of his town, what he knows of its residence sections, and to govern himself accordingly. In any event he should not consider poster work to the exclusion of newspaper or street car advertising.

Just a word about advertising in school and college publications and church and theater programs. School publications are generally a medium by which donations are made to the students, sons of business men who are supposed to appreciate the courtesy. College publications are used by some savings banks to catch the student deposits. It happens that when in college I was the editor of the weekly and I am certain the money for such advertising is thrown away.

I would not think of using either school or college publications.

Church programs may be dismissed as charity, and the same applies to souvenirs and programs issued by lodges, labor unions and kindred organizations.

The Theater Program

The theater program occupies a different field. It is difficult to get any exact information on what returns come from theater program advertising. The free theater ticket which is one of the seductive arguments of the program solicitor, makes it almost impossible to get an honest opinion on the subject. Men who under ordinary circumstances are sane and level-headed business men, will entirely lose their balance when given an opportunity to get into a theater on a pass, as advertisers in the program. The program advertiser will swear that it is good advertising whether he has ever been able to trace a sale or an inquiry for his commodity to it or not. I have heard advertising managers inveigh against

the theater program, but the boss got the theater tickets, and so nothing was done.

The "Boss" Got the Tickets

The theater program in the larger cities is sometimes edited as a little brochure, with theatrical notes and illustrations to enliven its pages. Such matter gives it an added value as an advertising medium.

The program is the pleasure lover's medium. It is hardly the place for homilies on money saving, or the picturing of the awful results of non-saving.

It is the medium of the man-about-town, or the medium for the woman who has the leisure and the inclinations for the luxuries of life.

As a general proposition I should not use it.

If I had a generous appropriation, had a special story to tell to the rich and the exclusive, I would use it to some extent.

At least it is an outside medium—a supplementary force.

CHAPTER XIII

THE ADVERTISING NOVELTY, ALMANACS, CALENDARS, SCHEMES, ETC.

EXPERIENCE AGAINST THE NOVELTY—A POORLY ORGANIZED BUSINESS—POOR SELECTION OF NOVELTY AND POORER SELECTION OF SYSTEM OF HANDLING—VIEWS OF THE NEEDS OF THE NOVELTY BUSINESS, BY HERBERT H. BIGELOW—HAS THE NOVELTY "MADE GOOD?" IS THE QUESTION—NOT ENOUGH TO SELL THE MERCHANDISE—HOW THEIR USE COULD BE IMPROVED—REACHING THE PARENTS THROUGH GIFTS TO SCHOOL CHILDREN—CARELESS GENEROSITY MAKES UNAPPRECATIVE RECIPIENTS—NO ANSWER TO "WHAT PAYS BEST?"—YOU CAN SPECIALIZE TOO MUCH—CALENDARS—THE KINDS—MAKE IT A PRACTICAL CALENDAR FOR A BUSINESS MAN—KNOW TO WHOM YOU GIVE YOUR CALENDARS—HOW TO DISTRIBUTE THEM—AN EXPERIENCE WITH CALENDARS—THE BANK ALMANAC—THE KIND THAT HAS PAID—RURAL COMMUNITIES AND THEIR RESPONSE TO THE ALMANAC—HOW TO DISTRIBUTE IT EFFECTIVELY—THE LITTLE SAVINGS BANK—THE FOOLISH NIGGARDLINESS OF SOME POLICIES—HOW TO KEEP YOUR "BOX LISTS" ALIVE—GETTING NEW ACCOUNTS THROUGH THE BIRTH ANNOUNCEMENTS—SOUVENIR POST CARD CRAZE AND HOW IT MAY BE USED—WEDDINGS—COMBINATION DEPOSIT AND CHECK BOOK—LEATHER BOOKS—BLOTTERS AND HOW TO PREPARE AND HANDLE THEM—BE GENEROUS—THE TRANSFERABLE MONEY ORDER AND CERTIFICATE OF DEPOSIT—THE SOUVENIR PROGRAM FAKE—HOW THE SPECIAL EDITION AND THE SOUVENIR GRAFTERS WORK—AN EXPOSE OF A LABOR UNION GRAFT—SOME PARTICULAR CASES

"Save Me from Friends"

AS I look over the thousands of letters I have received containing the answers to my questions about this subject of financial advertising, and read the numerous good words said for advertising by novelties, calendars, the schemes and the various other methods of advertising than those recognized as standard, I am reminded of the cry of the man who was rich, "Save me from my friends."

In a general way I am not in favor of advertising by means of novelties or special gifts. I have come to this conclusion through trial and tribulation and much bitter proof. I trust I am too deeply imbued with the conviction that there are too many things to be learned in advertising, however, for me to say, without a saving clause, that novelty advertising is not good.

I do believe, however, that the greater part of novelty, or specialty, advertising, and I like specialty the better as more completely and accurately descriptive, has been wasted.

While I think that much of this failure has been due to an ill-advised selection of the novelties, yet much of it has been due to a poorer method of handling them.

It does not require much of an advertiser to buy a thousand paper cutters or a thousand pretty calendars, put them in envelopes and send them out to a surfeited, blase and indifferent public.

This very ease has been the cause of the impotence.

Too much weight has been given to the argument of "perpetual advertising," and the idea that just because your name is on the paper cutter men are going to read it every day of their lives with idiotic persistency until they will write you out of mere desperation, I suppose, and ask you the price of your brand of tomatoes!

A Welcome Addition to Our Bank Account

Just how much money has been thrown away in this way would be hard to estimate, but I am confident you and I would recognize in a small part of it a welcome addition to our bank account.

Specialty advertising is generally gift advertising, by which the gift is made to carry a message of greater or less importance to the recipient. These specialties are myriad in form, color, size and degrees of usefulness. I shall not attempt to enumerate them. Pocketbooks, paper cutters, paperweights, memo books, cigar cutters—these are specialties within the meaning of my term.

Theoretically the specialty has the soundest of arguments back of it, just as newspapers have the best of the argument when we consider diversity and volume of circulation. But the very strength of the argument is its weakness, when viewed from the practical side.

The whole endeavor of a bank official is to create those ties between himself and his public which will increase his bank's business. His office is that of a salesman—no more, no less.

Mr. Herbert H. Bigelow,* recently gave the specialty side of the case from the standpoint of the salesman, in an excellent address before a body of Chicago advertisers. In part he said:

The Specialty Side of the Question

Specialty advertising—an appeal through the heart to the emotions, thereby making the way to confidence which is the necessary element of every business transaction. We maintain that the use of advertising specialties is nothing more or less than one form of salesmanship, the principle of which has been employed by the most successful salesmen since the apple trade in the Garden of Eden.

Now, it may surprise many, not in the manufacture of specialties for advertising to know that last year, within the United States, there were more than twenty million dollars' worth of our products bought by merchants and manufacturers, every cent's worth of which was ultimately given away for the sole purpose of effecting sales that carry a profit. I say twenty million dollars that I am figuring only on the lines with which I am directly or indirectly connected. I base my figures on my own knowledge of what our friends and ourselves are doing and I think this estimate very conservative. I presume that if a careful census were taken of all concerns manufacturing solely merchandise to be given away for promoting business, the total output would be found to exceed forty million dollars. It has

*Brown & Bigelow, Inc. of St. Paul, Minnesota.

The Specialty Side of the Question

easily increased ten-fold in the last ten years and is growing faster today than ever before. Now, "where there is a smoke there is usually a fire." People are not all fools. Back of all this giving away of merchandise there must be a good reason. It must make money for some, else why the continuous use of our media by many of the best advertisers?

Every form of specialty advertising has for its basis the inducing of a possible patron to buy the service you have to sell at a price equal at least to what a similar service could be purchased for and often at a price even greater than many would supply the similar service for. The necessity for getting a greater price than that for which many would supply a similar service is apparent, when you stop to think that the majority of business men are failures and the majority of business concerns, as shown by the Mercantile Agencies, do not accumulate money. I know of but one way to make money and that is simply to sell goods for more than they cost. Whenever manufacturers or merchants are compelled to compete with untrained business men who do not know costs you can readily see that the successful men get, in most cases, more for their service than some competitor would have furnished the service for. Of course some may say that a good manufacturer or merchant can reduce his cost and thus make profit. In some cases this is true, but successes are made by getting the top price for the service to be sold. Therefore the necessity of salesmanship.

Salesmanship, or the effecting of sales, costs money, and many manufacturers and merchants have discovered that a liberal expenditure for salesmanship added to the cost of their merchandise has found for that merchandise a ready market when a lower selling price, built on a lower selling cost, has only spelled failure. So, gentlemen, I say that the test of any medium of advertising is its ability to create business not only at a price but also carrying a profit.

There are as many different kinds of salesmanship as there are different men. In other words, every salesman has his own peculiar way of selling goods; yet, at the same time, I think all salesmen may be divided into two general classes. First comes one who appeals largely to reason. He is the argumentative type of salesman. He is usually a thin, cadaverous gentleman with a high forehead—one who, like "spare Cassius," has a lean, hungry look—one who knows the "REASON WHY." He neither smokes, drinks nor swears but he knows his business thoroughly and he can tell you why his goods are better and why his factory can undersell its competitors. The second class of salesmen is by far the larger, and you will find that they appeal not so much to judgment and reason as to the heart and the emotions. They are the salesmen full of life and vigor, who give you the glad hand-shake. They do not spend much time reasoning with you explaining why their service is cheaper than that of their competitors. They assume that you are willing to pay a reasonable price for the service that they have to sell. They assume that their house is on the square; that it makes good goods, and undoubtedly wants a fair price for the service. They are the men who get the business on an equal basis, and often more than their competitors. This is the kind of salesmanship that makes money for the house.

There is just this same difference between mediums of advertising. While a portion of our advertising is of the cold impersonal kind, yet by far the greater part of our efforts are devoted to personal advertising. Behind this personal advertising, back of every gift to a prospective customer, is the personality of the donor. This advertising merchandise is used to make and cement friendly relations by gaining confidence, and to create toward the service for sale a favorable impression through co-relation.

In the "Reason Why" class of advertisements we find a great deal of magazine and newspaper advertising which appeals to the reason, and gives to the reader a selfish reason why he should buy the service in question, showing why he could get more for his money than elsewhere, either in kind, quality or quantity or in a lower price, but seldom indeed does such an appeal create a desire to purchase of one party rather than another when price and quality are equal. Yet the major-

ity of purchases made by both men and women are made because they like the personality of some individual or the personnel of some concern, and, as a rule, all large concerns, are but the expression of some one individual.

The Specialty Side of the Question

The selling of goods is not an impersonal affair. It is an exceedingly personal matter. It is exactly so in promoting business, whether it be the banking business, the milling business, the retail and wholesale merchandise business or the selling of any service.

The public does not buy as a whole nor in masses. It is each individual that must sooner or later decide the matter himself before any sale is effected. Your best salesman does not go into a store and deliver an oration before the clerks or the office force but he singles out the individual who has the deciding of the question and to him he devotes his entire time and attention. The sun that burns a hole in the paper, when focused through a glass, is not more powerful than before. Concentration produces results. Therefore I maintain—better a dollar spent on one man that results in business than a dollar spent on a hundred people that only warms the surface and does not bring the order.

I say to you national advertisers that without personal advertising your campaign will not produce the best results, and for that reason constantly increasing numbers come to us to supplement the first work, and to complete their "follow-up" system.

We see many, very many, advertisers spending thousands of dollars, merely to warm the surface, as it were, to make the public acquainted only in a very general way with the article or service they have to sell. Public attention is not thereby sufficiently focused to bring results. The individual prospective customer must be discovered and followed up. His full attention must be arrested, his friendship obtained. Only personal advertising will enable you to give the finishing and effective strokes.

General advertising is like sowing the seed. The wise use of our products insures the fruitfulness of the harvest to be gathered by the salesmen.

While our service is used by many national advertisers to supplement their general advertising and as a sort of intermediary between their general publicity and their salesmen who effect the sales, yet, speaking in a general way, specialty or personal advertising is essentially the medium of the advertiser with a limited number of possible customers, because by this method he can reach all of those whose business he desires, without wasting money or attention on others. In other words he can concentrate his efforts and thus tell his story better and quicker to the man whose business he wants than by any other way.

As is the case with all lines of publicity, our specialty advertising has been used more largely by some branches of business than by others. In the line of bank advertisers I think the specialty men control at least 90 per cent. of the business. In the milling business they are a great big factor. While one or two mills are large national advertisers, we not only sell them, but serve practically every mill in the United States boasting of a capacity of 100 barrels a day.

In all lines of advertising many appropriations are wasted and I think this true in the case of many who buy advertising specialties. Both the manufacturer and the purchaser are to blame. In the first place, many concerns selling advertising specialties have too low a conception of the business they are in, and do not follow up their sales to see that their customers are properly instructed as to how to use the merchandise bought for advertising. Personally I think it ten-fold more important to me that the customers get value received from their advertising than it is to them. It is my life work and only an instance with them. Our business, or the business in general, can only prosper, by a clientage of satisfied customers. To serve our customers and to increase the value of the goods they purchase from us, we maintain an Information Department for their use, where we write advertisements and suggest methods to get the best results from the purchases already made.

The Crux of the Argument

The crux of Mr. Bigelow's remarks lies in that place where he says: "In the first place, many concerns selling advertising specialties have too low a conception of the business they are in, and do not follow up their sales to *see that their customers are properly instructed as to how to use the merchandise bought for advertising.*"

It is in the use of these things that so many advertisers find their Waterloo. The specialty man oversells the advertiser, leaving no part of the appropriation for the necessary work of maintaining the impression made by the specialty.

The fact is, the specialty business has been until within a very few years a "fly-by-night" game, the quicker the salesman got an order and the quicker he got away and the longer he staid away, the better.

Specialties Are Now Recognized

That this is no new thought is borne out in the fact that until recently advertising specialty men did not seriously consider themselves as within the pale of legitimate advertising. Recently in an address before a band of fellow specialty salesmen a man considered one of the most successful in his line* said:

> The day of specialty advertising being handled purely as a merchandise proposition has nearly drawn to a close, and in one short, dark night the new era will be born; and, as the sun rises earlier than some men, all of us who are not fully awake at the earliest break of the coming dawn are going to miss something, and that something can never be brought within our easy reach again.
>
> It is my belief that signs, novelties, calendars, etc., are to be classed as staples instead of specialties; but instead of being based upon their respective merchandise worth, they will be used for their advertising value alone and the makers and sellers must be able to show the advertising value of these goods, and also show scientifically how they can be applied to each respective business with reasonably fair estimates of results to be expected. They must have more originality, better systems of application and contain more evidence of brain energy. No one of us is going to be able to determine these changes as they come, neither will we be able to accomplish single-handed any very great things, as individual effort becomes valuable only when combined with some greater force.

The Testimony of a Specialty Salesman

> There must be a reason and an intelligent argument for a stiff one price, especially when that price happens to be higher than our competitors. We must impress upon the customer that we have determined the actual cost and proved it. And that each and every article is correct, high-grade and exactly as represented. And as there is no chance for applying supposed honesty and no excuse for necessary honesty, there must be natural honesty. This may be, at times, imposed upon, but when not glaring, it must be endured when there is a reasonable doubt about things not being as expected.
>
> I have at times been accused of seeing the hole instead of the doughnut, but am still optimistic enough to believe that we are to fatten with future prosperity, but as there is a similarity between glutton fat and prosperity fat, let's not confuse them by living on the good things within our present reach, and become fat with soft tissue, which disappears so rapidly with exercise, but rather build a

*E. S. Leonard chairman of the Novelty Advertising Section, Associated Advertising Clubs of America, 1907-'08.

sound structure from foundation to flag pole by such methods and materials that it cannot be torn to pieces by persons who have become more efficient than we; for it is my firm conviction that unless the Novelty Advertising business is handled scientifically and judiciously, the Agencies will soon have complete control of this branch and will get the appropriations to spend because they will show the advertiser they are selling brains and science rather than merchandise; and we salesmen will be seeking other work and the makers will be supply houses bidding for the work from agencies to keep their machinery in motion.

In a word, the gentleman here says: "If we specialty men do not stop selling merchandise and start to selling ideas and plans of making it effective, we will soon be working for the advertising agencies, who will be telling our own customers how to effectively use our own goods."

This is the whole essence of my contention. It is not enough to say that the man who buys a thousand pen-wipers does not want to be told how he can make those pen-wipers pay.

Why Specialties Have Failed

He does want to know. He may not know that he wants to know, but if the specialty man went in there ready with a plan to make a thousand of this, that or the other specialty he had, pay the banker, he would probably get a better order, and if his scheme were a good one, he could make that banker a permanent customer.

I have to refer only to the small bank specially to suggest a case of how a plan can be made to carry a much larger trade than a mere order for so much merchandise.

To the banker who has been tempted to use specialties, I would say, "Don't, my friend, *until you know how.*"

Plan your campaign of advertising and use your specialties, just as you would a piece of printing; i. e., in the sense of sending it to your possible customer, and let it carry with it a little educator.

Restrain Your Desires

When you send out a pocketbook to city trade, for instance, do not have it a walking advertisement for you. Enclose your advertisement in the shape of a little book, a folder or an accompanying letter. Make it personal, and do not let the receiver of that gift forget you. Send him other letters and other folders from time to time.

If you distribute rulers or scratch-pads, or pencils to the school children, give each one a letter "To be taken home to mother," in which you ask her if she wouldn't like the boy to have a savings account, or, get the name and address of the child's parents and send the letter by mail.

I have seen both ways worked to the best advantage.

Do Not Overbuy

The main thing in the specialty field is to not overbuy in the sense of spending all the money you can afford to spend for advertising in the article itself.

Buy enough of anything to go, not only among the friends of your bank, your depositors, but to go out among those whom you hope to make depositors.

Do not cheapen a cheap article by promiscuous distribution. Make every one count. I saw a bank cashier put a bundle of leather-bound memorandum books on the check desk one day with the comment: "Let 'em take them as they come in. I'm tired of being asked for them."

That was all wrong.

It was generous, but it was a generosity that hurt.

Customers do not expect a bank to be generous; they expect courtesy and fairness and good treatment.

They appreciate a courteous reminder of appreciation.

How to Handle Memo-Books

If the teller in this bank had been instructed to put one of those memo books in each passbook or bundle of bank notes, with, "There's a little memo-book, Mr. Jones. I hope you'll have nothing but profits to record this year," or something equally harmless, yet courteous, the advertisement would have been noticed and appreciated.

What kind of specialty is best?

That is too hard to answer.

Generally, and, I fear, tritely, something useful to the people whom you wish to reach.

The endeavor to be original finds some of its most persistent disciples among those who use specialties. Everybody will rush to take up a new idea. For a time a clever cigar cutter will sell up into the millions, and then there is a pause until the active idea man evolves something else.

There are certain old standbys, such as pocketbooks, bill-folds, wallets, that will not soon outlive their usefulness.

The Old Standbys

There is the horse chest-protector for the farming and trucking community. The school utensils for the children; the match-safe for the home; the desk pad for the counting-house; the railway timetable; the pass carrier; the souvenir post-card; the cotton manual in a cotton

district; the lumberman's handbook in a lumber region; the "Sheep Raiser's Guide" for the sheep man, and a hundred other "guides" for other lines—so the list could be lengthened into weariness.

You can specialize too much.

Send Them to All Your People

When you get something, assuming that you haven't unlimited money, you should get it for *all* your people.

Remember, it is but a *part* of your campaign, and should be used to drive home the good things you have already said and advertised.

The next great division of advertising of a special nature is calendars.

Think of the thousands and millions of these that have been distributed this year.

How many did you get—from the supply house, the safe man, the coal man, the grocer, the printer, the local paper, the tailor—and probably the insurance companies, both fire and life, sent you from one to ten, dependent on how many there are represented in your city.

The calendar idea, too, is a good one.

Calendars Offer a Distinctive Proposition

There are, however, two distinct features in a calendar proposition that must always be considered.

Where am I going to send it, and what is it intended to do?

There are two kinds of calendars—

(a) Calendars for business offices.
(b) Calendars for the home.

If I am going to send a calendar to a business man, I should send a business man's calendar, which is one like that shown in Figure 1. If I am going to send one for the home, I can let my fancy and taste run riot and use any of the beautifully colored effects coming from the three and four-color houses. If I want to interest some certain class of refined folks, I may use something dainty and clever like Figure 2.

Odious Comparisons

I hear some one ask me, Is calendar advertising better than newspaper advertising?

As at present used, I would say to that question an unhesitating "No."

The calendar has not reached its full growth as an advertising

medium. Here again we have spent all our money in attracting attention, and have failed to make use of the attention.

I believe the large wall calendar like Figure 1 is a tremendous force helping along a campaign of advertising. I believe, too, that this or any other style of calendar having leaves for days or weeks or months could be strengthened by having odd leaves inserted at frequent intervals, arranged as coupons, by which those who sent them to the bank could get a pencil or a memo book, or something of that sort; the distribution could be governed by sane rules:

A Method of Using Calendars

1 That every coupon had to be presented within the week it was dated, neither before nor after.

2 That each one had to be signed by a business man or patron of the bank, savings or commercial.

This could be alternated for booklets about savings, next year's calendar, an almanac, or could be used to awaken interest in a contest for the best essay on saving money.

I believe that calendars are too liberally and indifferently distributed —that they are flung about helter-skelter, without reference to their worth or the objects of their purchase.

Every calendar should be distributed to a name; every one should have a letter go with it.

But a calendar used as I have suggested has all the value of attraction retained—all the power of interest—and has that one additional feature which a mere art calendar cannot have save in a very passive and negative way—the power to persuade and convince to do something.

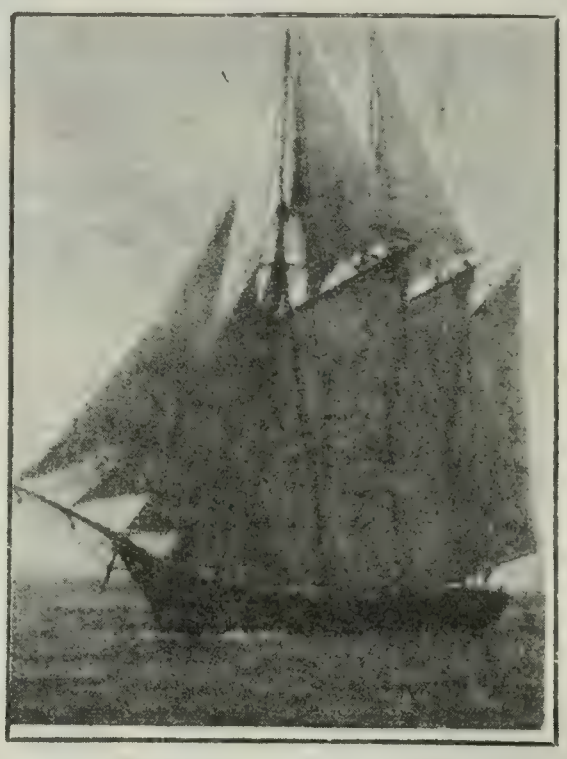
How a Wisconsin Banker Handled Calendars

Mr. A. E. Bradford, cashier of the Augusta State Bank of Augusta, Wis., has evidently given the subject thorough consideration, and his views as expressed below should prove interesting to every banker who has the problem to meet. He says:

First select a company which develops all of its time and resources to the manufacture of "Art Calendars," thus you will be assured of a list of subjects ranging from the modern to the old masters. Any of these companies will be pleased to forward to your address a complete line of their samples free of charge. Divide these samples into two divisions, "Possible" and "Impossible." Place the "Impossible" back in the case, and proceed with your weeding out process until there are but three subjects remaining. Place these carefully in your desk, and allow to remain unseen for two days, at the end of which time turn to the remaining subjects and at once make your choice. Study your selection until you are alive to all its strength and possibilities. Then place in it the case with the balance of samples and file the whole "bunch" back to the company—express collect. Although

WE BANK ON YOU
YOU BANK WITH US
FIRST NATIONAL BANK
LYNDON, KAN.
January
28
TUESDAY
YOUR ACCOUNT INVITED

FIGURE 1



Deposit Your Savings with

Salem Five Cents Savings Bank

210 Essex St., SALEM, MASS.

1909			January			1909
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
6th FULL M.	14th LAST Q.	21st NEW M	28th FIRST Q		1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24/31	25	26	27	28	29	30

JANUARY FIRST MONTH

FIGURE 2

Some Calendar Experience

the above may sound akin to a ginger-bread receipt, the writer will vouch for its value to the financial institution deep in the pros and cons of the Art Calendar. There is scarcely a bank in the United States large or small which has not had this subject at least up for consideration. Most of us have bumped down the stairs of calendar experience until we have landed upon the step which has seemed to be the best local solution or have thrown the whole matter over with disgust. Doubtless that solution which might be sufficient or profitable for one locality would be entirely inadequate for another. Personally, although I am in favor of art as "A thing of beauty and a joy forever," and the calendar as a business and social necessity, I am not a believer in that commercial concoction, The Art Calendar. No institution can afford shoddy advertising and in order to gain the attention of the public and create a favorable impression, the bank issuing an Art Calendar must invest an amount too large in proportion to the possible gain. School children always seem to appreciate the banker's efforts in this selection and if the subject be tasty and expensive enough, it may find its way into a mat or frame—minus the calendar pad and bank ad. Surely the picture does not need advertising, why go to the expense of bringing it before the public?

We have bumped from step to step down the calendar proposition until it seems as though we have arrived at an at least local solution—a plain, tasty business calendar, a good job on craftsman lines with pleasing effect, plain, simple yet forcible reading matter, not too much, pad as large as consistent with calendar, with figures large and plain enough to be seen across the room and each enclosed in a square, giving ample room for the housewife to keep minutes of her grocer's bill, milk bill, etc., and the farmer his tests, weights and future bills receivable due dates. Give every calendar man who arrives at your desk a complete description of what you require and ask him to forward samples. It is an easy and effective dismissal and affords an excellent line from which to choose. At first you might imagine that your calendar troubles were now over for the year, but experience has taught us that it is no small task to successfully get your wares before an appreciative public. Again local conditions must govern. We hire two bright and reliable boys to distribute the calendars from house to house in the city, impressing them with the fact that they must gentlemanly deliver one calendar to every family in the city. Each mail box upon every rural route leading from the city is supplied with one calendar, every country merchant and creamery has his bundle of calendars stamped by his compliments, an officer presents one in person to every business house and an extra effort is made to place one in every logging camp, school district and even hunting camp in the country. Things of this kind seen in out-of-way and unexpected places make a greater impression than when met along the ordinary walks of existence. We have been following this plan for a number of years and find that the demand increases each year. The people have come to expect and depend upon our yearly calendar and repay us for our time and expense by unconsciously having burned upon their minds our name and ad by keeping the calendar pad properly torn from January to December.

The Bank Almanac

The bank almanac has a big place in the country banker's estimation, and rightfully so. The agricultural community depends on the almanac for much of its important information, and gets it because there was never a time when more precise scientific knowledge about the activities of farming and stock raising was being put into these books than now.

The almanac has been associated with patent medicines for a long time and for that reason the banker has let the patent medicine man have a monopoly of a good thing. Recently, however, a bank almanac has been produced and has found excellent results.

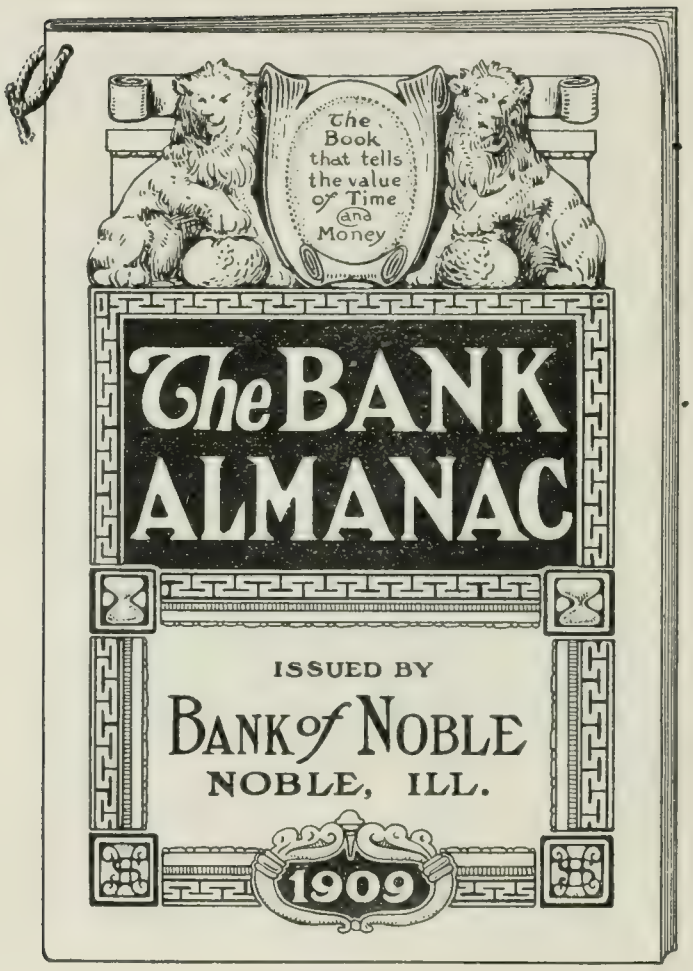

The Book that tells the value of Time and Money
The BANK ALMANAC
ISSUED BY
BANK of NOBLE
NOBLE, ILL.
1909

FIGURE 3

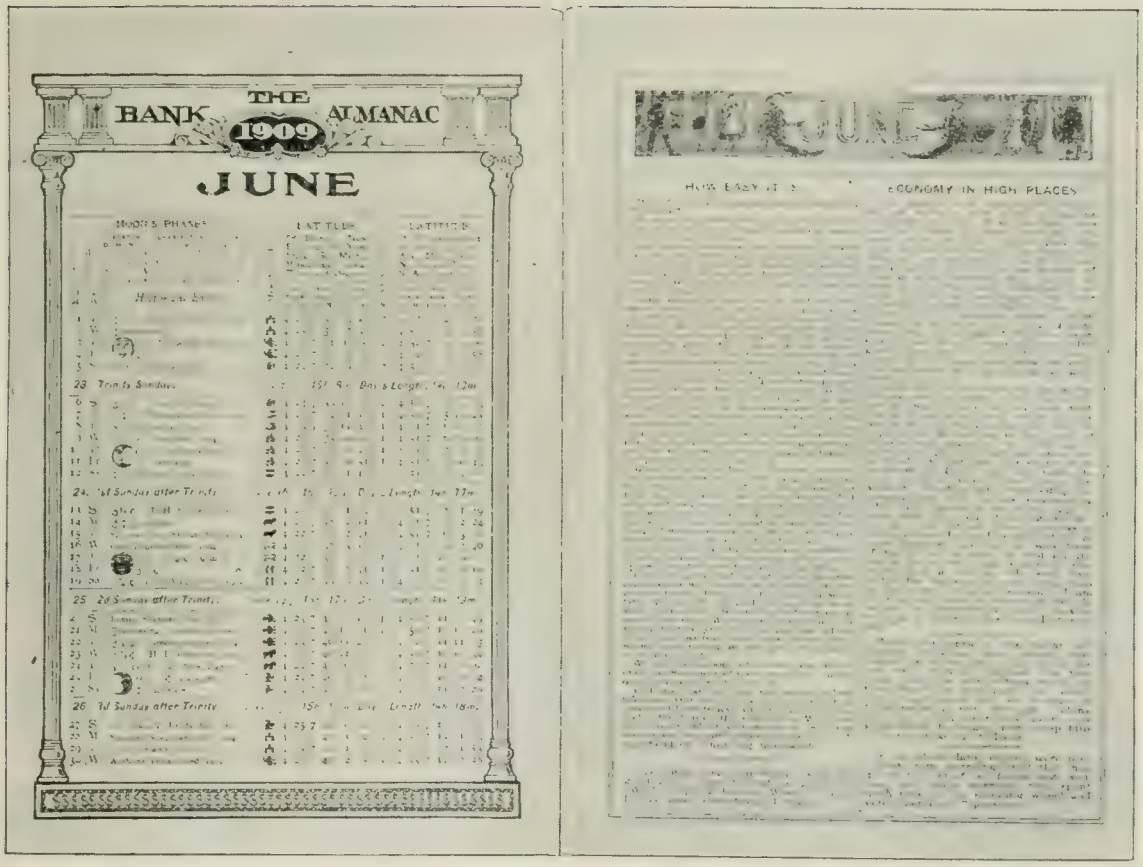


FIGURE 4

Successful Almanacs

In Figure 3 I show a front page of the most successful of these bank almanacs, and Figure 4 shows what a pair of inside pages looks like. Inside it is not so different from the old-time almanac, which used to hang on a nail under the mantel in the kitchen.

Do you remember how often it was referred to? Well, there are lots of people who are looking at the almanac for this year in just the same way—just as many who want to know how many peas there are in a bushel, what is good for earache, and how to cure a chicken of the "pip."

When you order your supply of almanacs, order enough to go into every house in your territory—not only enough for your depositors, but for every home.

Using Your Town Paper for Advertising the Almanac

Remember you are advertising, not making presents for past favors. As soon as the almanacs are ready put a notice in your town paper, advertise it also, tell people what is in it, describe it, lots of people do not know what you have—do not know what is in the bank almanac. Give a list of the articles and subjects written about. Tell people they can have one if they call for it.

Always, without exception, get the name of the party to whom you give an almanac—get the name and address, put it down in your card index or list so you can see where your almanacs have gone, and be able to judge of the value of your advertising by figuring out how much advertising it has required to produce the results.

The next thing to do is to send a copy of the almanac to all your present and old depositors.

Always send a pleasant, cordial note with it. If you can not get a good letter typewritten, have cards printed and sign them in pen-and-ink.

The Danger of "Foxy" Schemes

The different schemes for getting business are legion, but when it comes to business and advertising schemes a bank *has* to be more careful than a clothing store. The latter can afford to be called clever and "foxy," but a bank has weakened its hold on the public just the moment it is called either.

Probably one of the most effective plans for getting the new savings accounts is the individual saving bank.

It is built on the right principle of personal appeal, and it has produced the results. It is hardly necessary for me to go into any lengthy

analysis of these schemes; they are familiar to every banker. I do think, however, that in the larger towns and in the cities where banks have paid crews of picked canvassers to go over the territory with a fine comb, too little attention has been paid to careful follow-up work the call of the canvasser.

Fell Down

I remember my wife was called on during a savings campaign. She listened to all the canvasser had to say and promised to let him know.

She was not asked for any information about her banking relations, to set a day when the agent would call again, or when she could call at the bank. She never heard of that agent again, never received any advertising and had no further indication that the bank was doing any special work of the kind. I happen to know, however, that the bank continued the campaign for three weeks after the call at my home.

An Experience With the Little Bank

Soon after I wanted to open a savings account in my own name and called at the bank for one of the individual banks and was dumbfounded to be met with: "You are a commercial depositor? Well, we give the banks only to those who are new depositors."

"Why?"

"Because we want new accounts."

"I am to suppose, then, that you do not want my old account?"

"Oh, no, not at all. We want to keep all our old friends, of course, but we want new ones. Anyway, sir, that is the rule."

It was so ridiculous, of course, that I had to laugh. The poor, childish, unsophisticated soul who ran that bank thought he was a business man, and yet he permitted his clerks to tell his old depositors that they were not as good as the new ones!

Could anything be more absolutely silly?

Yet that is an absolute fact.

Figure it Out

Of course, I sent my wife down to open an account in her name and now the bank has to carry two accounts instead of one, as I have a savings account in my own name, but without one of the much treasured banks.

It costs the bank twice as much to carry these two accounts, and has made no more business under any construction.

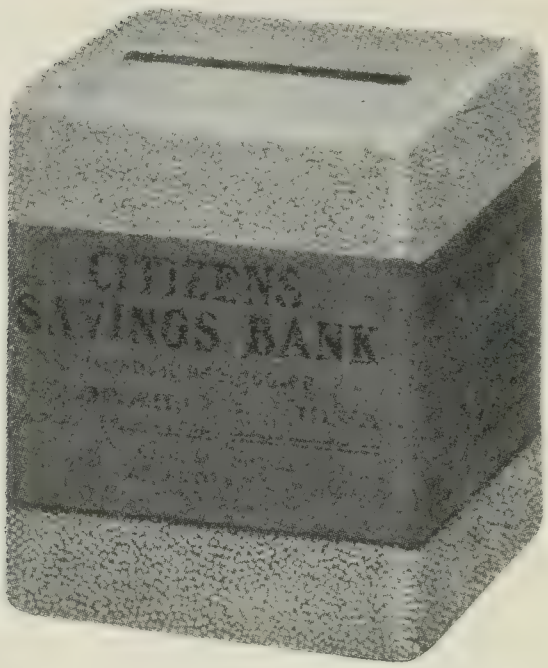


FIGURE 5

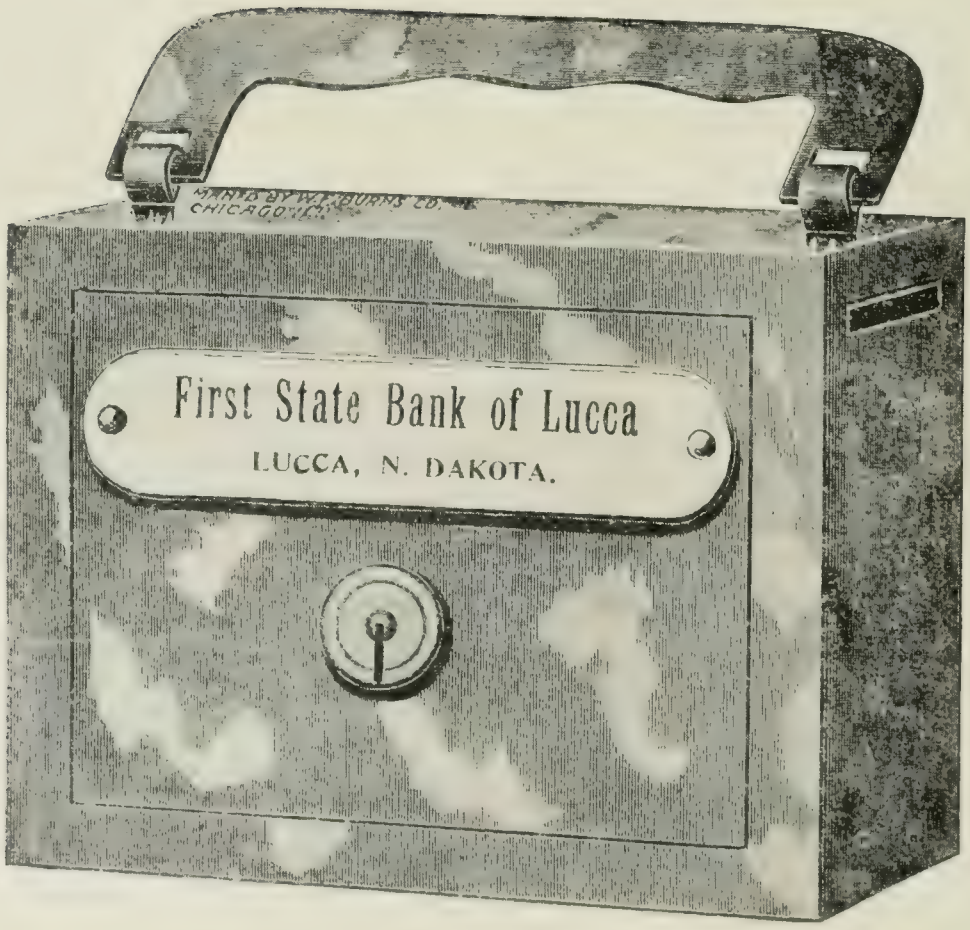


FIGURE 6

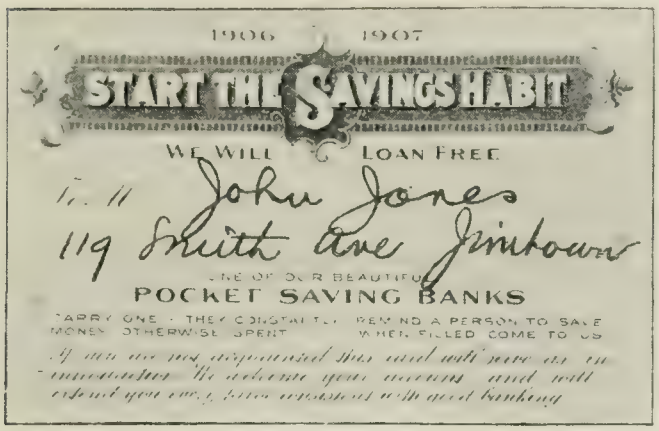
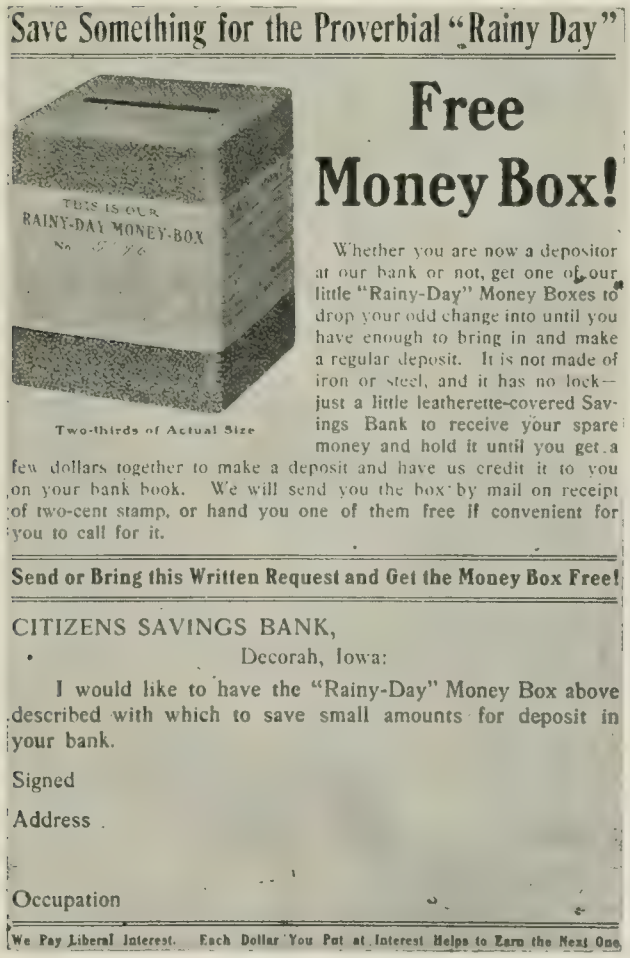


FIGURE 7



Save Something for the Proverbial "Rainy Day"

Free Money Box!

THIS IS OUR RAINY-DAY MONEY-BOX

Two-thirds of Actual Size

Whether you are now a depositor at our bank or not, get one of our little "Rainy-Day" Money Boxes to drop your odd change into until you have enough to bring in and make a regular deposit. It is not made of iron or steel, and it has no lock—just a little leatherette-covered Savings Bank to receive your spare money and hold it until you get a few dollars together to make a deposit and have us credit it to you on your bank book. We will send you the box by mail on receipt of two-cent stamp, or hand you one of them free if convenient for you to call for it.

Send or Bring this Written Request and Get the Money Box Free!

CITIZENS SAVINGS BANK,

Decorah, Iowa:

I would like to have the "Rainy-Day" Money Box above described with which to save small amounts for deposit in your bank.

Signed

Address

Occupation

We Pay Liberal Interest. Each Dollar You Put at Interest Helps to Earn the Next One.

FIGURE 8

If it is Any Good

If the small bank proposition is any good at all, it is good as an educator, as a means of making people save more money than they would without it.

If they would save more with it, then why not give it to any depositor, old or new, who would take one on the terms?

I should give the banks out only to those who asked and receipted for them, but I should certainly not refuse them to any one who could and would save the dollar.

On another page (Figure 5) is shown an inexpensive little box that may be used in communities where it is sometimes hard to get even the first dollar together. This little box, called the "Rainy-Day Money Box," is just as effective in some cases as the more pretentious steel bank. It can be made and sold in lots of five hundred for about 4 cents apiece. At that price they can be pretty generally circulated.

To prevent waste, however, a circular (Figure 8) is sent out in advance to a select list of about three times as many as you have boxes, so as to get as many boxes out at once as you can, and the orders are filled as they come in on the blanks.

Of course, fill no request unless you get name and address.

Getting the Children to Save

Do not be afraid to take a boy or girl of twelve to sixteen years. You can judge them pretty accurately.

When you open the box just cut it open, and if the amount is sufficient, give the person one of the steel banks or, if not enough, another one of the cardboard banks. As each box is numbered, you keep a list with the names and addresses.

When the box doesn't come in circularize the "dead box" list once in six months.

Figure 6 shows one of the ordinary steel banks. The more effective have a self-registering device, which shows the owner how much is being deposited and the amount to date. The desire to see that sum increase has resulted in increasing deposits. Such banks, of course, cost a little more, but they are worth much more than the increased price, as deposit increasers.

The card (Figure 7) is a style of card furnished by the manufacturers of these and other style banks, and is effective in arousing interest among the people.

The individual bank idea has been found effective in large cities, small towns, villages, country districts, because it is an appeal to human nature that few can resist, when the saving instinct has been educated at all.

The Analysis of Schemes and Advertising

When the stork visits Mr. Jones' family, send him a card somewhat like Figure 9. It will make him feel better and he may open a savings account for the new arrival.

New Year's greetings are a thoughtful way of expressing personal interest, and the unique form shown in Figure 10 is calculated to attract attention. These forms can be obtained for a trifling sum, and are worth their cost.

The little envelope shown in Figure 11 contains a sachet perfume. That is a trifle dangerous unless among a class of people who have no prejudice against the use of perfume, or no great liking for some particular kind. I should not, as a rule, sanction the use of a style of advertising that would run so many chances of not appealing to the one who received it.

Perfumery in Envelopes

Within the past three years souvenir post-cards have obtained a tremendous vogue in this country. The most artistic and cheapest are printed abroad. Figure 12 shows how this fad was used to advantage by a small bank in Texas. Such a method can be used by the banker to make his friends advertise his institution.

A supply of these cards should be placed in the counting room, and a few could be placed in the pass books as they are returned after being written up.

The old scheme of giving out pay envelopes to merchants and manufacturers, to be used on pay days, is a good scheme, but I have never seen it used to the best advantage. For one reason the printed matter is usually of the most general character, being limited to the catch phrase, "Save some of your wages," and the name of the bank.

Pay Envelopes

The opportunity to frequently change the copy, to change the color of the envelope, the size of the type, to make it different and worth while —to make a pay envelope returned to the bank good for an almanac, a calendar, a souvenir of some kind—if presented by the owner—all these schemes are good and show what the long neglected envelope can be made to accomplish.

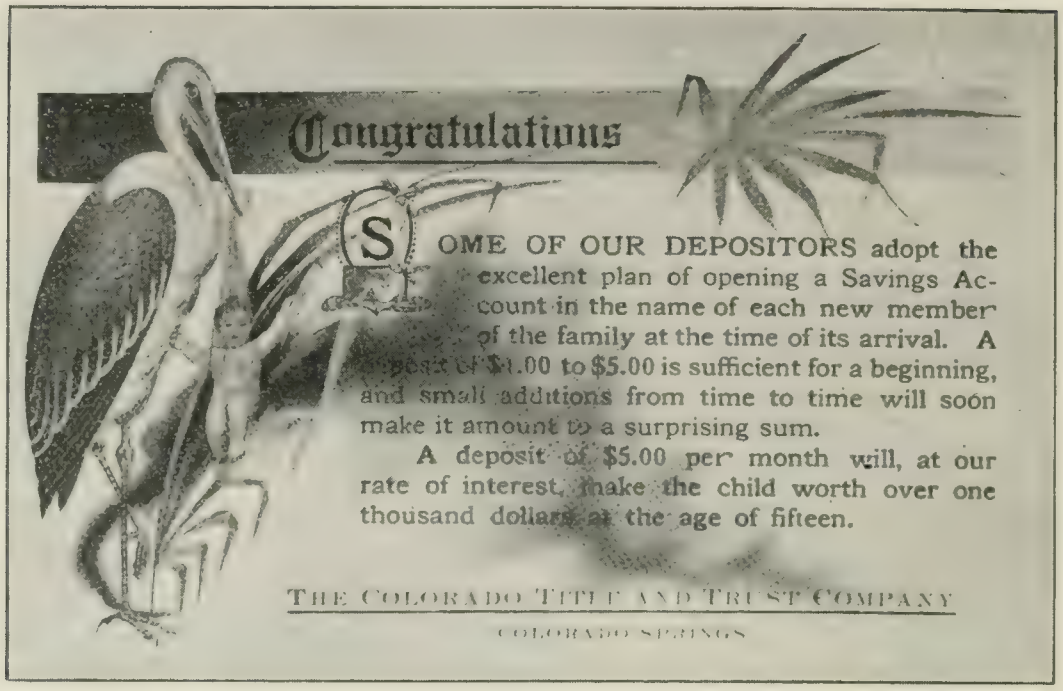


FIGURE 9

FIGURE 10

FIGURE 11

FIGURE 12

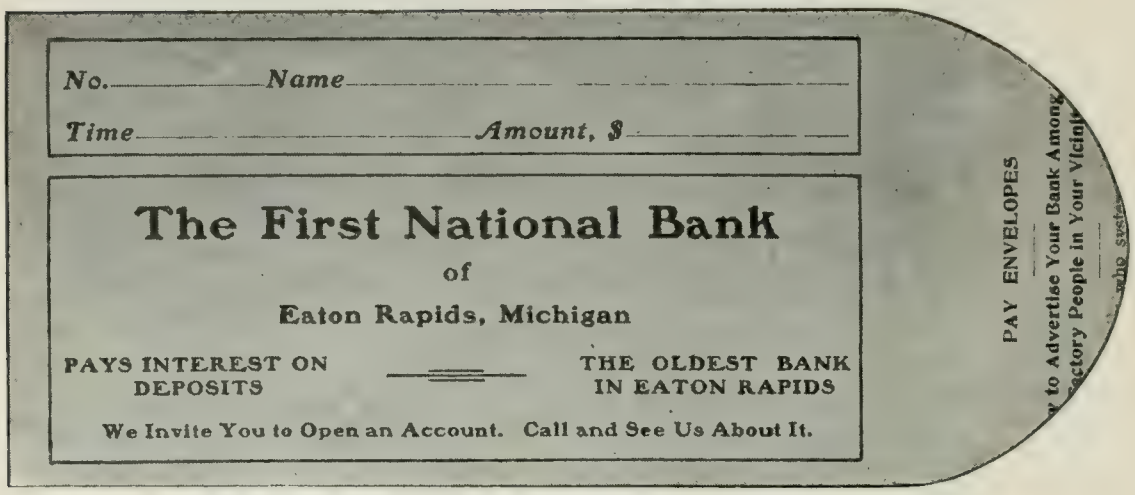


FIGURE 13

FIGURE 14

Every wedding should mean a new bank account somewhere. It should mean a new one for either the husband or the wife. The card (Figure 14) is a good thing to send out. I should like to see a letter go, too. Write a short letter of good wishes and say that you suppose there will be one more bank account, etc. Sent soon after the announcement, it will be welcome, except where the prominence of the people, or the relationships between your bank and the families may render it inadvisable.

A Chance in Weddings

Remember that your bank is first, a money-making institution, and then a public benefactor.

You want business—your directors and you are elected to get and keep business and make it profitable. A writer in a banking news publication neatly put the case of cooperation between directors, stockholders and yourself in getting business in the following:

We often hear the chief executive officer of a bank complain that the directors do not bestir themselves to find new patronage for the institution.

Each director and each stockholder in a bank has his own sphere of influence, and if each would keep the bank's interests in mind, he would find many opportunities to send it profitable business.

Let us make it easy for them to do some effective missionary work.

Suppose you say to them at the next directors' meeting: "Gentlemen, I have here some introduction cards, (Figure 15) and I would like to have each of you take a bunch of them and issue one whenever you see an opportunity to do so. You meet many people daily. Of some of them you can, without impropriety, ask where they do their banking. Some will mention another bank, and some will say that they do not keep a regular bank account anywhere.

Making Your Directors Work

"It will then be easy for you to let them know that we would like to have them with our bank, and to fill out and hand them one of these introduction cards, so they will feel no diffidence about coming in.

Some of you are engaged in active business, and have a number of employees. A little confidential talk with each of them, and your personal introduction by means of this card, will make them regular depositors here."

Do not stop with the directors.

Get every stockholder to work for the bank in the same way. Of course, it is largely to their interest to do so. The more business, the bigger dividends.

Write each of them a letter, telling them how they can help to get new business for the bank, and inclose a few of the cards.

Then take the matter up with your depositors. Every customer you now have will be glad to send others to you if you place in his hands an easy, practical method of doing it.

A good letter to all the smaller depositors, with two of the cards inclosed, will bring results.

With the larger customers a personal talk on the subject is preferable—especially those who have a number of people in their employ.

If you have a hundred people in your community busily boosting the bank, you are sure to enjoy a period of very gratifying growth.

OFFICERS OF
CITIZENS BANK,
MONROE, WIS.

INTRODUCTION CARD

Gentlemen: This will serve to introduce to you

Mr. Albert L. Bailey

of Monroe Paper Co.,

who contemplates opening an account with your institution, and whom you will be warranted in extending every courtesy and service allowable in safe and prudent banking.

Date May 17, '04 T. T. Dixon

IF NOT CONVENIENT FOR THE PARTY INTRODUCED TO CALL AT THE BANK, SEND THIS CARD BY MAIL, AND OUR SIGNATURE CARD WILL BE PROMPTLY FORWARDED SO THE ACCOUNT MAY BE OPENED AT ANY TIME.

FIGURE 15

The Bank Pass and Check Book

One of the new ideas is in the shape of a "combination deposit and check book." These combination bank books consist of a leather-backed book about the size of a correspondence envelope, which comprises a pocket in each flap. In the left-hand side is inserted a flap, holding a pad of 25 checks. In the right-hand flap is inserted the back of the deposit book. When this combination book is opened the deposit book is also free to open, and when it is shut to the right the checks at the left are ready for use. This combination bank book is very serviceable and yet can be made so cheaply that it can be presented by banks to every depositor without straining the advertising appropriation.

These deposit and check books are being sold to banks all over the country, and the manufacturers report a big and growing demand for this novelty. We are assured the bankers have found out that only about 15 per cent. of the old style of checks issued to customers and offered freely upon their customers are used, while from 75 to 85 per cent. of the checks given out in these combination bank books come back to the bank; thus this novelty works great economy in the outlay for blank checks in the course of a year.

This novelty bank book also has a great tendency to encourage new accounts. Where one bank in a town has adopted this novelty it is said that others find it necessary to follow suit or else put out something else as unique to attract their share of new business. Of course, the name and address of the bank giving out this novelty is always stamped on the back of the books in gold leaf, which makes a handsome, durable advertisement.

Another novelty pocket check book which has the advantage of carrying checks folded so that the book is only four inches long. The leather case is made so that it opens out when the check may be extended to its regular length, but when folded up and clasped, the length of the book is just half the usual size. This is a great improvement over the usual scheme of carrying an eight-inch book in the coat pocket, where it is always in the way and takes up needless room.

Miscellaneous Suggestions

Again, a nickeled soap dish for hanging up on walls is another bank novelty. It bears the legend on a panel at the top: "Deposit your soap here, and your money at the First National Bank."

Celluloid goods have ever been popular with financial institutions, and will no doubt always be so. Little circular perpetual calendars about the size of a silver dollar are having vogue. Paper cutters, envelope openers, book marks, interest tables, celluloid backed mirrors, etc., are all now much used.

Stop!
Right where You are!
You have expensive habits which must be stopped at once, and that money saved to help us when misfortune comes.
DO YOU UNDERSTAND?
We will start a savings account at the
First National Bank...
Rib Lake, Wis.

FIGURE 16

Miscellaneous Suggestions

Of course, handsome leather pocketbooks, bill books, note books, coin purses, memorandum books and such specialties of high-grade stock, stamped in gold leaf, continue as popular as ever.

One of the novelties used by banks is the round lead pencil "printed all around" with the company's advertisement. It is generally enclosed in a strong envelope an inch wide, which gives a good chance to the advertiser to print his message on the outside also. This envelope is dropped into a letter and practically insures the letter will receive attention; at the same time it does not increase postage.

In the line of costlier goods are to be mentioned advertising clocks, numerous styles of which are now in use by financial institutions, some of them very handsome. They are both of the wall and desk variety, the latter being seen most frequently.

Blotters are good advertising, but we rarely see them used intelligently. They are either used in too large quantities and the printing is poor and ineffective, or the illustrations are just as applicable for chicken food or bonbons as for banking.

I show in Figure 16 an example of what a blotter should not be, and, in fact, what no bank advertisement should be. Imagine what your wife would say to seeing such a harridan presented as the typical housewife of your circle! Can such a picture leave a nice taste, a good impression, with any one? I venture to say no. Is it funny? Is it witty? Is it clever? Is it true? Is it human nature? If it isn't any of these things, then it cannot be good advertising.

The Striking Blotter

Surely, it is a mistake to put out anything that will leave a *bad* impression with any one, when we are striving so hard and paying so much to make a good one.

The blotter should always contain a few words, a short, sharp, terse argument, that will hit home and can be taken in at a glance.

The blotter should be distributed at least once a month to all the customers and to all the business houses in the city.

Be generous with blotters.

They should cost so little that two or three could be placed in the hands of each customer and business house.

The blotter should not be addressed to the head of the house alone, but to the man who more frequently reads it—the clerk, bookkeeper and helper about the counting house.

The bank with a considerable woman patronage should use small blotters, carefully and neatly printed, with a special message to the woman depositor.

Let the advertising be conservative; i. e., educational and particular, and the blotter will do good work.

Give the Old Things a Rest

Let the picture of the bank building have a rest, don't talk about the capitalization or surplus, leave off the names of the directors just for a change, and tell what the bank is, what it does, and how it does it. After this has been done, then come out in a talk about the resources, directors, etc., using the cut of the bank building, if you want to.

Change your copy every month—and get new blotters every month. There is no virtue in the repetition of the same old thing. That was exploded years ago.

Within the past few years the Certificate of Deposit plan has been considerably exploited. So have a number of money orders, depositor's checks, etc. They have all attempted to tie up the principal of the deposit on some time arrangement so the greater part of the money could be put to work in the bank's interest, and thus a comparatively higher rate of interest could be paid to the depositor.

The transferable Certificate of Deposit has the effect of a bank note, and to a certain extent is the same thing as a traveler's check, as issued by the express companies.

These forms of certificates find ready employment as money orders, as they are redeemable at any correspondent's of the issuing bank. So far the advertising has produced excellent effects in the few instances where this form has been used.

Asset Currency

In one case the list of depositors grew from 404 in January to 3,034 in the following September, and the enthusiastic friend of the scheme laid the whole growth to the wonderful pulling power of this new asset currency. A form of currency that comes in such direct competition with the national currency may call for special legislation, but in the meantime it is finding a great reception at the hands of the public and proving to be an excellent advertisement.

This system serves to call attention to the fact that there are new ideas that will be applied to banking. Some good souls have been heard to say that "banking was the fixed science." "There could be no changes

in safe banking methods; they were the same today as they were yesterday and would be tomorrow."

Watch the changes that will come within the next five and ten years.

The trust companies will become better banks and the banks better trust companies, so far as loaning money is concerned. This will be for the betterment of the financial and commercial world, because "banks exist for the sake of commerce, not commerce for the sake of banking," as a great financier once said, and that is much more strange than would appear at first reading.

The Great Number of Fake Schemes

After all, these methods are all legitimate advertising beside the great number of fake schemes that have obtained the money of the inexperienced advertiser since advertising first began.

The souvenir program is the most prolific of fakes.

In a small town, where every one knows every one else, the advertising in a program for a charity concert, theatrical performance, or the annual meeting of the village lyceum, is a charity, and the advertising space simply tells the people that you have made a contribution to the cause.

Do not, however, call it advertising, but charge it to "charitable contributions."

When the solicitors for the book, "Leading Citizens of Tall-Grass County," come around, do not take a space for your picture and the laudatory biography and call it advertising. It isn't advertising; it should be charged up to the "Easy-Mark Account" or the "Educational Account."

The Sucker Industry

As a gentleman in Pennsylvania once said to me: "When I paid the solicitor $100 for the steel engraving and the few words of appreciation, and afterwards found that the only people who ever had one of those precious morocco-bound volumes were those who, like myself, had purchased their way into the book; and when I found that the book actually cost about $30 per portrait, that the solicitor got 50 per cent. commission for getting me in, and when I found that the really prominent men who were prominent enough to warrant being placed in such a book, got in for nothing, I think I saw a bright light, and registered a vow that I would never again be victimized through my own egotism and vanity."

How People are "Bitten"

The logic of the situation is self-evident. If the only people who ever see the book are those who, like yourself, have paid to be pictured and praised, is it reasonable to suppose they are going to be impressed by your common sense and modesty?

Just examine your own candid opinion of the value of the write-ups of the other fellows' virtues, and be assured that the other fellows are thinking the same of you.

The next graft scheme is the labor union "year books," labor federation souvenirs, etc., which in this day of labor organizations is worked to the utmost limit of effrontery and dishonesty. In most cases the labor unions are just as much victims as the business men.

In a recent case exposed by a disgruntled solicitor, the following method was employed. For obvious reasons, I employ fictitious places and names:

The Experience and Testimony of a Program Grafter

As a result of counter charges made by John Smith, of Alicetown, the Slowtown Board of Commerce has been asked to investigate the workings of a system of solicitation presented to the prominent men of the larger cities, in this State, in behalf of what is known as the Somewhere Federation of Labor's Year Book, published by P. B. Brown, of Slowtown.

The year book proposition was worked like this: Brown purchased from the Somewhere Federation of Labor authority to publish a year book, paying $500 for the privilege. Of course, this money terminated the Federation's interest in the book, though we solicitors were told to advise the men we approached that the book was directly in the interest of union labor and would benefit every union man in the State.

The solicitors were paid 30 per cent. of the subscriptions secured, and rail road fare. The proposition proved a "good thing" for Brown, some $16,000 being secured for the 1906-7 book. I was given the following letter for presentation, in the way of credentials:

"To Our Friends: This will introduce our Mr. John Smith, who is authorized to call upon you in the interests of the Somewhere Federation of Labor. Mr. Smith will explain in detail the object of his call. Any support given him will be greatly appreciated by and will be a direct benefit to every union man in the State."

These letters were signed by John Hardworker and Silas Workman, as president and secretary and treasurer, respectively, of the Somewhere Federation, and the payment of the $500 partially covered what was in reality the sale by the officers of the federation of its recommendation of Brown's scheme.

When we began "working" a town we approached men known to have money—politicians, merchants and manufacturers. We put up a talk to the effect that the book was intended to bring capital and labor into closer harmony, and the "prospect" was asked to contribute an article expressing his views on the labor question and his experiences in the employment of union and non-union men. This generally pleased and interested the man and paved the way toward informing him that the federation would necessarily be subjected to a heavy expense in getting out the book and expected, of course, that every friend of union labor would contribute something toward defraying this expense.

We would suggest that he help out the federation by the purchase of a certain number of the books, the number varying at from 10 to 500, at 50 cents

per. If the man was "leary" we flashed the federation's indorsement, bearing the signatures of its officers, and stamped with the seal of the organization. This usually allayed all uneasiness on the part of "the prospect" giving us clear sailing. If the man refused our proposition we told him his action would be a great disappointment to the federation which always considered him as a friend, and that if his name did not appear in the "friendly list" a number of the boys would be sore. He would take the hint.

The Experience and Testimony of a Program Grafter

This generally got us a check and gave the man the impression that he was helping to educate the working men. The contribution also covered a stock write-up, assuring the public that the contributor was worthy of its "continued trust" and wishing him on the part of the federation "an era of ever increasing popularity and success." It can be easily seen that "purchasers" were more interested in the attitude towards them, of the organized labor in their communities, than in the value of the book.

On rare occasions we would approach a man who was not impressed by the federation's credentials and in such cases, we advised Mr. Brown, who immediately dispatched John E. Onthejob, the federation's state organizer, to secure for us the recommendation of the local trades council. This was generally accomplished by the handing out of a few drinks to the local committee and the assurance that they were good fellows, but Brown paid Onthejob $3 per day and his expenses for the service, though the latter was drawing his regular salary from the federation during the time thus spent.

Our strongest talking point with a manufacturer was that a portion of the money secured from these subscriptions, was to push bills in the legislature, directed against the employment of convict labor. There was little difficulty in securing money from a manufacturer who thought he was thus helping to kill convict competition. In some cases it was a shame to take the money.

The contributions came so readily that Brown closed another deal with the Federation for a 1908 book, and he now has two men, working on the old subscribers in the upper part of the state. Brown offered me a partnership in working the same deal in another state.

"I make these statements," Smith declares, "to protect the public from the solicitors now at work and I advise those who have not paid subscriptions to hold the money until the Board of Commerce has investigated."

There are other schemes in favor of the Police Pension Fund, the Firemen's Fund and several others worked in the same way. These schemes deserve no better treatment. If the souvenirs and year books are issued by the men themselves and if they directly get *all* the benefits the result might be more direct to the advertiser, but the support of professional solicitors, whose methods are a form of blackmail, and the contributing to the coffers of printers and fake book publishers should be thoroughly understood by the advertiser.

Banks Have Backed Fakirs

In the past some of these fake schemes have even operated under the patronage of banks who have been unthinkingly seduced into authorization of such methods. Syndicate papers have been offered to banks free of charge for the use of the bank's name, and a list of the concerns with which the bank was dealing in the purchase of supplies and equipment. No bank can afford to lend its name to such schemes, and it cannot afford to advertise its lack of business sense and acumen by paying

The Syndicate Paper

for space in fake publications. Advertisers who look on the matter as a business seriously question the character and business capacity of a bank that shows no more appreciation of the value of prestige and a knowledge of real advertising value than to be seen in a publication backed by grafters and fly-by-night schemers.

Of the same general type are the map schemes; i. e., around the edge of a state map are arranged the advertisements of the local merchants, at a cost of three to ten times what it is worth, and fixed by what the solicitor can cajole or wheedle out of the green advertiser.

Again, there is the fake business directory, for which you pay five dollars, get your name in bold type, a large bottle of writing fluid, another of mucilage; total value, 75 cents, according to quality. If you pay for it in advance you may never again hear of your money or your directory.

The best plan to adopt is: Never, under any circumstances, pay money in advance to a solicitor. If he offers you more than five per cent. for cash in advance, tear up your contract and refuse to have anything to do with him.

One Chance in Ten Thousand

Once in ten thousand times you may miss something legitimate, but you can rest assured as a general rule that it is a graft the rest of the times.

You should have a local organization to which you could refer all charitable and souvenir propositions. If the proposition cannot establish its honesty and validity, don't have anything to do with it. A Board of Trade or Chamber of Commerce performing this duty can save local merchants and advertisers a lot of money and help to maintain the efficiency of legitimate advertising mediums.

CHAPTER XIV

THE SPECIAL PLACE OF THE BOOKLET AND FOLDER

THE LITTLE BOOK—ALMOST ALL BOOKLETS ARE TOO LARGE—UNWIELDY BEAUTY—THE LESSONS TAUGHT BY THE FIRST BOOK PRINTERS—THE LAW OF MARGINS - SOME SCIENTIFIC PRINCIPLES OF PROPORTIONS—GEORGE FRENCH'S OBSERVATIONS—THE BOOKS OF ALDUS—THE ELZEVIRS—PICKERING'S BOOKS—WHY IMPORTANCE ATTACHES TO THE FORM OF A BOOK—THE IMPORTANT ORIGINALITY OF FORM—MERE EXPENSIVENESS—GORGEOUS IGNORANCE—OBTAINING THE RESULT—DISTINCTION AND DIFFERENCE—GOOD AND POOR TASTE—FACES OF TYPE—DISCUSSION OF EXAMPLES GOOD AND BAD—THE JAPANESE STYLE—THE UNITY OF TWO PAGES—THE DECORATION OF A BOOK—THE ART—ILLUSTRATION—HARMONY OF PERFORMANCE AND PURPOSE—PAPER, TYPE AND COLOR—THE BOOKLET POSITION MIDWAY BETWEEN PUBLICATION AND LETTER—THE OFFICE OF THE BOOKLET IN TRUST COMPANY ADVERTISING—SAFE DEPOSIT ADVERTISING—TOMB OF TYPE

A Little Book

A BOOKLET is a little book. Almost all bank booklets are too large; the page is made too large for convenient handling, and I venture to say the vast majority of booklets that have been thrown away will be found to have had large pages and therefore no place could be found about a business man's desk into which they could fall.

Time and again I have heard business men comment on the beauty of typography of a folder or booklet, but say it should be smaller. A large booklet lies about the desk until it eventually gets in the way, when it is dropped into the waste-basket or put away in a bookcase or a drawer, where it soon ceases to have that ever-present familiarity and opportunity to do business that goes with a place on a man's desk.

Good proportion is dependent upon psychological reasons. The eye can take in so much area, as we have already seen, when we considered the efficiency of catch lines. A broad page with a long line of reading is difficult to read. It requires a persistency of attention that is foreign to comfort. The short line is easier read, more comfortable, therefore better for advertising purposes.

This was understood in earlier days by the first book makers, who, even when they made up quarto sheet books, left very wide margins.

In the older days wide margins were left for the use of students who wished to annotate their books, and wide margins have been allowed in recent times for their pleasing effect on large pages. Almost all of us remember from our reading of biography how Coleridge used to annotate the volumes that he read.

FIGURE 1

Showing an Early Italian Example of Margins

—Reproduced by Permission "The Printing Art"

It is hardly necessary for us to go into any very lengthy historical analysis of the proportion of pages.

It is just as well, however, for us not to attempt to be too original in the matter of making pages of odd or bastard sizes.

The Law of Margins

There is also a certain place on the page for the printed matter. Margins are generally arranged as follows: The margin next to the bind of the book is generally the smallest, the next larger is the top margin, the next larger is the margin opposite the bind, and the largest margin is the bottom margin. The inner margin generally bears the same relation to the top as the outer margin bears to the bottom. To get an idea of the exact proportions of the margins of a book, we find that the lower margin varies between 20 and 22 per cent. of the total height of the book, the upper margin between 9 and 10 per cent., the outer margin between 16 and 19 per cent., and the inner margin between 8 and 9 per cent. (See Figure 1 for an example of proper proportions.)

William Morris, who is generally considered the master printer of the nineteenth century, in his famous Kelmscott Press books, notably that of "The Golden Legend," has the height of the type form occupy 68 per cent. of the height of the entire page and 47 per cent. of its width. The lower margin was 23 per cent. of the height, the upper margin was 9 per cent. of the height, the outer margin 18 per cent. of the height, and the inner margin 7 per cent. of the height.

This scheme of margins makes a very luxurious looking book and, provided the type face selected is proper, gives a rich and artistic appearance to the page.* So much for the question of margins.

Why Books were made Small

The question of the size of the booklet itself is a very practical one. A small book that can be held completely in the grasp of the fingers of one hand is best. All of the most favored books have been small books. Books that have been most intimate in their contact with the reader; books that have been intended for daily companionship, have been small books. The reason for this is not hard to find. The scholars and gentlemen of another day carried their books with them in their travels. It is obvious that it was much easier to handle a small book that could be slipped into the pocket than a large book, which required a large receptacle, and several of which required a material addition to the baggage. Dr. Johnson said in the eighteenth century: "Books that you may carry

*The data on the foregoing was taken from a paper prepared by Alfred W. Pollard for "The Printing Art" for September, 1907.

to the fire and hold readily in your hand are the most useful, after all."

French on the Margin Rules

The treatment of the format of a book, says Mr. George French, in "Printing in Relation to Art," has become somewhat of a moot question, though it is evident that the advocates of the strictly conventional method are gradually drawing practical printers into agreement with them, and that their opponents rely upon the spirit of Philistinism for their chief justification, confining their arguments largely to contradiction unfortified by either logic or precedent. Philistinism is not entirely evil, but the present is not a time of such slavish conformity as to clothe it with the appearance of a virtue. Protest is the instinctive spirit of to-day. In printing there is too much of it. We need more conformity, if conformity be interpreted not to mean blind adherence to precedent, but a large and active faith in the saving virtue of demonstrable principles.

Proportion, balance, in a limited sense, composition as understood in art, and optics must be considered in adjusting the format of a book. The size and shape of the book must determine the exact dimensions of the page and the margins. The leaf of the ordinary book which is generally approved is 50 per cent. longer than it is wide. This proportion is often varied, and for different reasons, but it may be accepted as a standard.

The margins of a correctly printed book are not equal. The back margin is the narrowest, the top a little wider than the back, the front still wider, and the bottom, or tail margin, the widest of all. Why this scheme for margin has grown to be authoritative and adopted by good book makers, is not entirely clear. Nearly all the literature upon the subject is devoted to attempts to justify the custom instead of explaining its origin. The best justification that can now be offered is the evident fact that the custom is agreeable to publishers, to authors and to discriminating readers. * * *

Accepting, therefore, the dictum as it stands, without pressing an inquiry as to its authority or its legitimacy, it remains something of a problem to fix the margins and place the page of a book. When all suggestions and rules are considered it will be found that it is not often that the ordinary book page will submit gracefully to variation of the rule that the length be determined by cutting the page into two triangles, the hypotenuse of either of which shall be twice the width of the page. The page heading should be included in this measurement, but if the folio be placed at the foot, either in bare figures or enclosed within brackets, it need not be included. This formula must often be disregarded, especially when the book is not to be proportioned in conventional dimensions. No other form is as satisfactory, however, and it is quite within the bounds of the practice of the better book makers to consider it as the approved conventional page. Whenever it is varied the guide must be a general sense of appropriateness, having consideration for all the other varied elements. * * *

The margins must be adjusted with the intent to make the two pages lying exposed to view properly harmonize with the book leaf, and adjust themselves to the tyrannical optical demands of the eyes of the reader. This requires a very strict and careful adherence to rules well understood by good printers, as well as a courageous disregard of those rules when the exigencies of the case demand it. There are many other things to consider. The general character and purpose of the book must be taken into account, the size of type and whether it is to be leaded or set solid, the quality and weight of paper, etc. A bible, guide-book or directory, need not have wide margins, nor a book printed on small type and thin paper; and a book the type for which is not leaded should be given less margin than is allowed for a page of leaded type. While the same general scheme for margins is applicable to nearly all good books, of whatever shape and size, when the contents and object do not dominate the physical character, it is obvious that the dimensions cannot in all cases be fixed according to the same formulas. A quarto page must have wider margins than an octavo, but they must bear a like relative proportion to

each other. A quarto page must be proportioned differently than an octavo; it must be shorter by about one-seventh.

French on the Margin Rules

The width of the margins must in some degree depend upon the amount of white in the page of type, upon the tone of the type page. This involves the character of the type face quite as much as the spacing and leading given it, as some faces have such light lines as to give the page a very light tone, even when the type is set solid and the spacing is close; other types have such heavy lines as to demand wide spacing, leading and wide margins to bring the tone down to a proper degree of grayness.

Consideration of all these questions affecting the format, and especially the margins, of a proposed book lead to the conclusion that it is good practice to select the paper as the first step in the planning of a book that is intended to be made upon artistic lines, and upon this foundation to build the typography and the binding, according to the rules of harmony and of proportion.

Books of Aldus (1546)

The most popular books of Aldus,* who was one of the great printers of the fifteenth and sixteenth centuries, were 4x6 3-8 inches. Figure 2 shows one of the Aldus classics, printed in 1546. After Aldus came the Elzevirs, who were a family of Dutch printers, which flourished during the time of William the Third in England. George Haven Putnam, in his "Books and Their Makers During the Middle Ages," says: "The Elzevirs, following the example set a century and a half ago by Aldus, but since that time very generally lost sight of by the later publishers, initiated a number of series of books in small and convenient forms, 12mo and 16mo, which were offered to book buyers at prices considerably lower than those they had been in the habit of paying for similar material printed in folio, quarto or octavo. * * * These well-edited, carefully printed and low-priced editions of the classics won for the Elzevirs the cordial appreciation of scholars and of students throughout Europe."

Elzevirs

The Elzevirs were 4 to 5 inches in height, 2 1-4 to 2 3-4 inches in width and usually 3-4 to 1 1-2 inches in thickness. In Figure 3 I show a reproduction of two pages from one of the Elzevir books.

William Pickering in our own time issued a series of books and maintained the proportion of page size used in a great many books of the earlier portion of the nineteenth century. In the last twenty years we have seen many fashions arise in privately printed books, most of them tending to large paper editions, quartos and folios, the size of the paper, however, being the only quality to commend them to book lovers.

The Books of J. M. Dent

Within the past fifteen years we have seen many little book forms again become fashionable, notably the contributions of J. M. Dent of London, who has made the little book popular and demonstrated that

*Data from "The Printing Art," Cambridge, Mass.

M. TVL. CICERONIS DE
ARTE RHETORICA
LIBER I.

AEPE & multum hoc mecum co
gitaui, boni ne an mali plus attulerit
5 hominibus & ciuitatibus copia dicen
di, ac summum eloquentiæ studium.
nam & cum nostræ reip. detrimenta
considero, & maximarum ciuitatum ueteres animo
colligo calamitates, non minimam uideo per disertissi=
mos homines inuectam esse partem incommodorum.
cum autem res ab nostra memoria propter uetustatē
remotas ex literarum monumentis repetere instituo,
multas urbes constitutas, plurima bella restincta, firmis
simas societates, sanctissimas amicitias intelligo cum
animi ratione, tum facilius eloquentia comparatas. ac
me quidem diu cogitantem ratio ipsa in hanc potissi=
mum sententiam ducit, ut existimem sapientiam sine
eloquentia parum prodesse ciuitatibus, eloquentiam ue
ro sine sapiētia nimium obesse plerunque, prodesse nū=
quam. quare si quis omissis rectissimis atque honestis=
simis studijs rationis & officij, consumit omnem operā
in exercitatione dicendi, is inutilis sibi, perniciosus pa=
triæ ciuis alitur: qui uero ita se se armat eloquentia,
ut non oppugnare commoda patriæ, sed pro his propu
gnare possit, is mihi uir & suis & publicis rationibus
utilissimus, atque amicissimus ciuis fore uidetur. Ac si
uolumus huius rei, quæ uocatur eloquentia, siue artis,

FIGURE 2

—Reproduced by Permission "The Printing Art"

134

IOAN. BAPTISTÆ VERI

RERUM VENETARUM

LIBER SECUNDUS.

Bellum in Scaligeros Veronæ Principes Tarvisium obtentum.

1337.

EA ſemper fuit Venetorum pietas, ut vicinos juvarent auxiliis, quando à potentioribus contumelioſe vexarẽtur. Hinc obliti injuriarum, quibus Patavini eos toties affecerant, arma pro externis aris, focisque ſuſcipiunt adverſus Scaligeros, Veronæ Principes. Horum potentia, intra juſtas imperii metas neſcia conſiſtere, in licentiam quoque erupit offendendæ Reip. Quare, ut latius per opprobrium aliorum ſuos fines extenderent, arcem in ſtagnis prope Clodiam inſolenti milite communitam erexerunt, ac per Padum, Atheſimque navigantibus Venetias indixerunt portoria,

LIBER SECUNDUS. 135

toria, neque alia in turbidis Principibus defuere facinora, quibus ſenſim res Veneta in perniciem traheretur, niſi quandoque tantis initiis mature iretur obviam. Interim Patres certi ſi nihil moverent, eam audaciam in ſpeciem legitimi dominatus tranſituram, Scaligeros, legatione more patrio tranſmiſſa, prius quam arma arriperent, conati ſunt ab injuriis revocare, cæterum ea ſpreta, atque turpiter irriſa eſt. Hujus rei fama mirum, quam magnis, propenſiſque ſtudiis bellum in juris gentium violatores decretum ſit. Primo igitur cum Florentinis percuſſum fœdus jam antea Venetam opem in eoſdem hoſtes implorantibus: mox evulgata expeditione complures Principes, quibus ea potentia ſuſpecta erat, Vicecomites, Ateſtini, Gonzagæ, & ipſe Bojemiæ Rex ſuos internuncios Venetias miſere, quo junctis viribus Scaligerorum ſuperbia retunderetur. Adfuiſſe una die in urbe ſexaginta Europæorum Principum legatos, qui apud Senatum, tum de bello, tum de pace tractarent, produnt ejus temporis ſcriptores. Marſilius quoque Carrarienſis vir inter Patavinos ſummæ auctoritatis, Scaligerorum cauſam iiſdem diebus apud Patres

FIGURE 3

—*Reprinted from "The Printing Art"*

artistic quality could be combined with commercial success. Many books today are published in the size of six inches high by four inches wide and about three-fourths of an inch thick.

I go somewhat into the history of this matter because good taste in the size of a book is a very important element. The man who would make his advertising the most effective must understand the social aspects of it. He must realize that all advertising depends upon its realization of the human appeal. He cannot go contrary to what is human nature and hope to get the maximum of benefit from what he does.

A booklet is nothing but a little *book*. When we consider also that the vast majority of the public are familiar with books, that they have favorites in books, therefore the more nearly a booklet realizes in its arrangement, printing, etc., that it is a little book, the more familiar, the more welcome it will be in the guise in which it comes.

The Personality of a Booklet

It is in a booklet that the personality of the advertiser has full scope. He can do more with it, have it more completely reflective of his personality, combining his ideas, his good taste, his sense of proportion and his feeling for things beautiful than in any other class of advertising, not even excepting the personal letter.

I do not believe in outrageous shapes. For instance, I have before me a booklet, die-cut in the shape of a dollar mark, which is supposed to have been the *ne plus ultra* of originality in booklet-making. I submit that it is simply an expression of bad taste. What is the effect of such a book on a man's mind? It takes his mind away from the fact that it is a book. It is not quite candid in its appeal. It is simply an attempt at cleverness which leads the mind entirely away from the intent and purpose of its publication.

Candor in advertising pays more than cleverness. Let us be candid with each other. When we send a booklet out, let us admit from the very start that it is an advertisement; that we hope to appeal so strongly to the man's commercial instinct that we have something so cogent from the standpoint of his selfish interest, that although it is a booklet, although it is frankly and openly an advertisement, yet it is entitled to his consideration and a few minutes of his time. As another has well said, "The only thing that an advertiser should strive for is distinction, not difference." So many advertisers, however, fail to understand the distinction made in this difference. They imagine some extraordinary combination of colors, some unusual size, something that is "different,"

should be the end of all advertising endeavor. In reality, what we want is distinction.

How a Booklet Should Impress

You want a man to feel when he gets *your* book that he is getting something to which you have given thought, and care, and much attention. Some advertising men divide people into three classes: *First,* the man who wants to trade with you, and on him it is not worth while to waste very much effort, because you have already got his business; *second,* the man who writes to you for a booklet, and having expressed an interest in your business, you can send him a booklet that will convey your message, and if the argument is strong enough you can reasonably expect to get his interest; *third,* that man who has neither expressed an interest in your business, nor from whom you can expect any business, unless you succeed in attracting his interest and convincing him.

Not Safe to Make Distinctions in Quality of Printing

I maintain that these three classes of men should receive precisely the same treatment in-so-far as the physical make-up of all your advertising may be concerned. Notwithstanding that the first man is going to give you business, you must remember that he is the constant point of attack from competition. Some day a competitor is going to approach him in such a way as to attract and interest him. The other advertiser's printed matter is going to be so distinctive, so compelling in its argument, that your customer will probably nibble at the bait, with the result that you must put forth an extra effort to retain something that you have already had, the loss of which will hurt you more than the gaining of a new customer can recompense you.

The second kind, who inquires for a booklet, is the man who has already inquired for booklets from other concerns. He inevitably compares your appeal with that he receives from others. If yours is lacking in distinctive individuality, in personality, and if another has all of these things (while the true merits of your proposition may be infinitely superior to your competitor's), yet the man who must judge by the evidence in his hand goes where the better appeal is made.

With the third class the man who persistently uses commonplace printing is at a disadvantage. He can find no argument to justify him. A case in point is where the National Cash Register Company on one occasion desired to present to a selected few among the most prominent merchants of this country and France an argument relative to their department store cash register. This booklet was prepared by Mr. Ingalls Kimball, Cheltenham Press, New York.

HE that idly loſes 5s. worth of Time, loſes 5s., and might as prudently throw 5s. into the River.

He that loſes 5s. not only loſes that Sum, but all the other Advantage that might be made by turning it in dealing, which, by the Time a young Man

Man becomes old, amounts to a comfortable Bag of Money.

The little Things of Life count for much, as well in the Formation of Character as in concrete Reſults. He that waſtes in Littles will waſte in Large. He that in Youth ſows the Habit of ſaving Shillings will at Maturity reap a golden Harveſt.

Opportunity is not always knocking at the Door. He that once flouts her cannot ſafely count upon her Return; but he that has ready Money to his hand may turn her viſit to good Account.

The *Cleveland* Truſt Company, deſiring to aid in forming the Habit of ſaving, welcomes ſmall Savings Accounts.

Again

FIGURE 4-A

HOW TO SEND YOUR MONEY

The best way for mail depositors is to send deposits by Registered Mail, Post Office Money Order, Express or Express Money Order, New York, Philadelphia, or Pittsburgh Draft, or, if more convenient, by check on your local bank.

As soon as your first deposit reaches us, your name and the amount of your deposit will be entered on our books, and we will send you a pass book with similar entries. Always send your pass book to the bank when you wish to deposit or to withdraw money. It will, at all times, show just how you stand with the bank.

RESULTS OF SAVING SMALL AMOUNTS OF MONEY

The following shows how easy it is to accumulate a fortune, provided proper steps are taken:

Weekly Savings	Rate of Interest	For 5 Years	For 10 Years	For 20 Years	For 40 Years
$0.25	FOUR Per Cent. per annum, compounding twice a year, 1st April and 1st October.	$ 73	$ 162	$ 403	$ 1,294
.50		146	324	806	2,588
1.00		293	650	1,614	5,177
2.00		585	1,301	3,228	10,355
5.00		1,462	3,252	8,070	25,888

We take pleasure in transmitting this little book to you, and trust you will profit through the lesson it teaches.

FIGURE 4-B

While the booklet was really a book in more senses than one, the manner in which it was presented made it one of the most remarkable pieces of advertising ever issued.

A Luxurious Appeal to the Elect

The advertising was intended to reach the head of the firm. Folders had failed, advertising in personal letters had failed, and it was finally decided to do something so distinctive, so unique, that it would compel attention. It was decided to make a book that would be so costly in printing, binding and general make-up that a man would inevitably be drawn into a consideration of its contents. This booklet was enclosed in a hand-sewed, pigskin traveling case of latest London design and workmanship, and cost more than $50 (as did the balance of the edition) for the printing and the traveling case, and it accomplished its purpose.

That was a cheap bit of advertising.

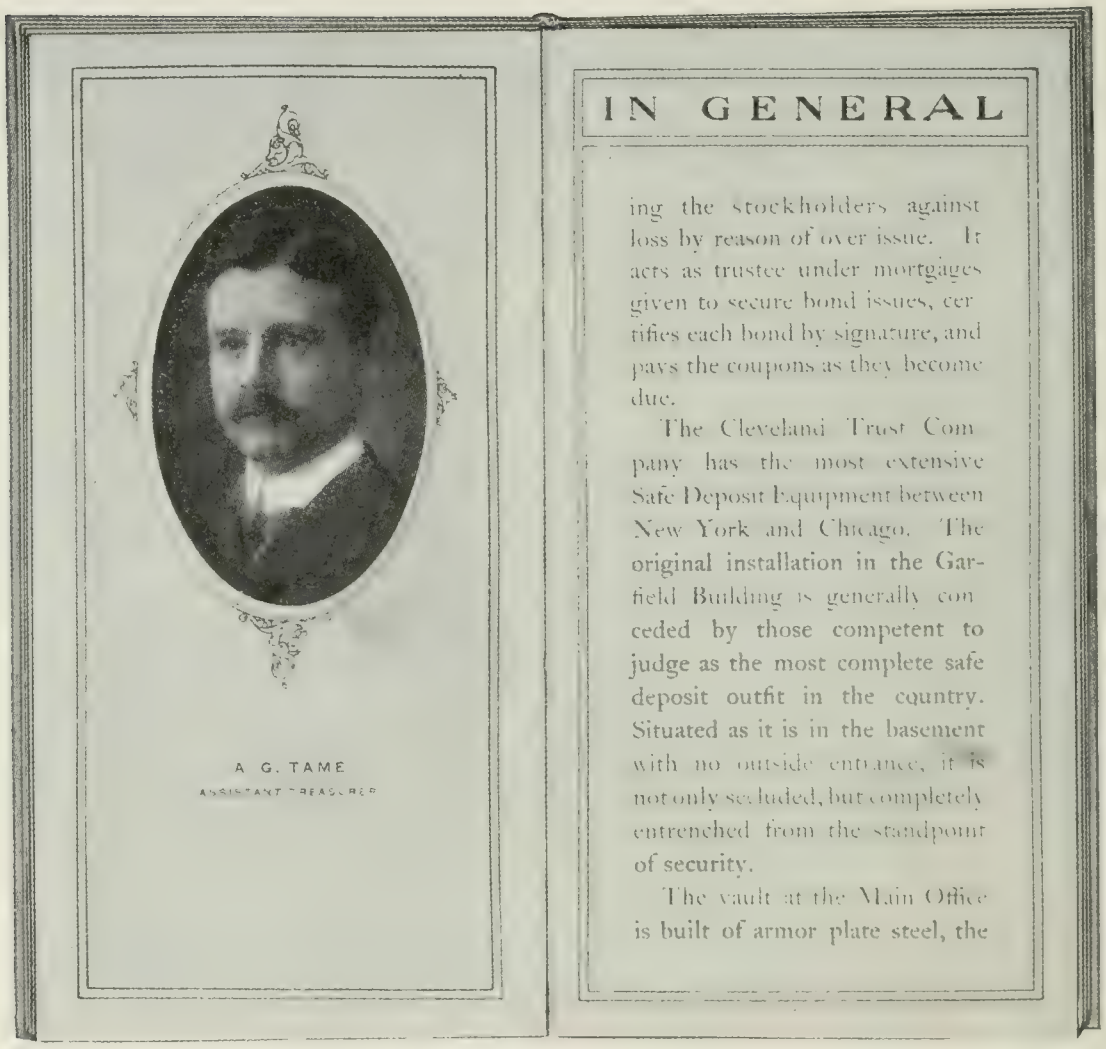
Advertising Expense in Promotion Work

While I do not suggest for a moment that it is advisable to put this extraordinary expense into a booklet for general distribution, and while it would seldom be advisable to advertise even the largest bank or trust company in such a way, yet when we consider the enormous sums spent in promotion, when we consider the dinners given to capitalists and men of means by those who are promoting new propositions or floating an issue of bonds, we will find that this aggregate expenditure of three or four thousand dollars was a comparatively small item beside an expenditure of ten and twenty thousand dollars frequently made for "entertainment" and promotion expenses.

An Age of Vulgarity

Aside from the note of elegance, distinction is not necessarily accomplished by a large expenditure of money. Distinction is accomplished by more subtle means. In this age of excessive vulgarity of taste, largely attributable to the fact that neither advertisers nor printers, in the vast majority of cases, are trained in the niceties of the art—the perfect proportion of page, of margin, of type matter, the proper selection of papers and color schemes, which lend distinction to even the smallest expenditure, even a little art is calculated to win favorable comment and consideration with the highest as well as the lowest.

Above everything else, let's get away from the idea that cheap printing, in poor taste, is a really effective way of reaching the poor man. It isn't. It has been proved by the mail-order houses that it isn't. Vul-



A. G. TAME
ASSISTANT TREASURER

IN GENERAL

ing the stockholders against loss by reason of over issue. It acts as trustee under mortgages given to secure bond issues, certifies each bond by signature, and pays the coupons as they become due.

The Cleveland Trust Company has the most extensive Safe Deposit Equipment between New York and Chicago. The original installation in the Garfield Building is generally conceded by those competent to judge as the most complete safe deposit outfit in the country. Situated as it is in the basement with no outside entrance, it is not only secluded, but completely entrenched from the standpoint of security.

The vault at the Main Office is built of armor plate steel, the

FIGURE 5-A

garity of taste does not appeal even to the vulgar. Good taste will appeal to every one because it is based, not upon the fad of the hour, but upon human nature; making it easy to understand, making it attractive, making it suggestive of personality and character, is making it readable and interesting to all people. A common sheet of Strathmore paper, folded over and printed in black and red, will attract attention and hold the interest when it is properly proportioned, when ten times the amount spent for fussy printing would attract no attention.

Good Taste Appeals

In Figures 4A and 4B I show the inside pages of two booklets. Compare them. Which looks the more interesting; which has more individuality? The one carries out the quality and character, under the title of "Hints to Those That Would Be Rich," of a portion of Poor Richard's Almanac, published in 1737. The other is issued by a savings bank doing a mail-order business. The former is printed on rough paper, the latter on a supercalendered stock. The former is typed in its character as an old-style booklet, in an old Roman letter, the latter has a squat-faced letter that is difficult to read. The former, costing less money to print, has individuality and distinction.

Analysis of Booklet Samples

In Figures 5A and 5B are shown two booklets issued by the same trust company. The first booklet has distinction and character in set-up it looks different—the paper and the type and the color are harmonious. The second booklet is commonplace, and while above the average, is lacking in that quality which makes the other one remarkable.

In Figures 6A and 6B I show the cover pages of a number of booklets issued by banks doing a banking-by-mail business. The difference in individuality of the books shown here is readily seen, even in the one-color reproduction. The color scheme on the People's Savings Bank book, for instance, was green, black and red on a buff background; the Citizens' Savings and Trust Company book was red, black and gray on a white cover; "Modern Banking" was gray, with the title in embossed gold, and the eagle and shield in white and gold embossed; "Banking by Mail" was a rich red in color, title in flat gold with embossed shield, in two colors. You would not hesitate a minute in determining which was the most attractive, yet the unattractive books in this instance cost fully as much as the attractive ones.

In Figure 7 are shown two pages taken from different books issued by the same concern. The one, despite its more open page, is lacking in character.

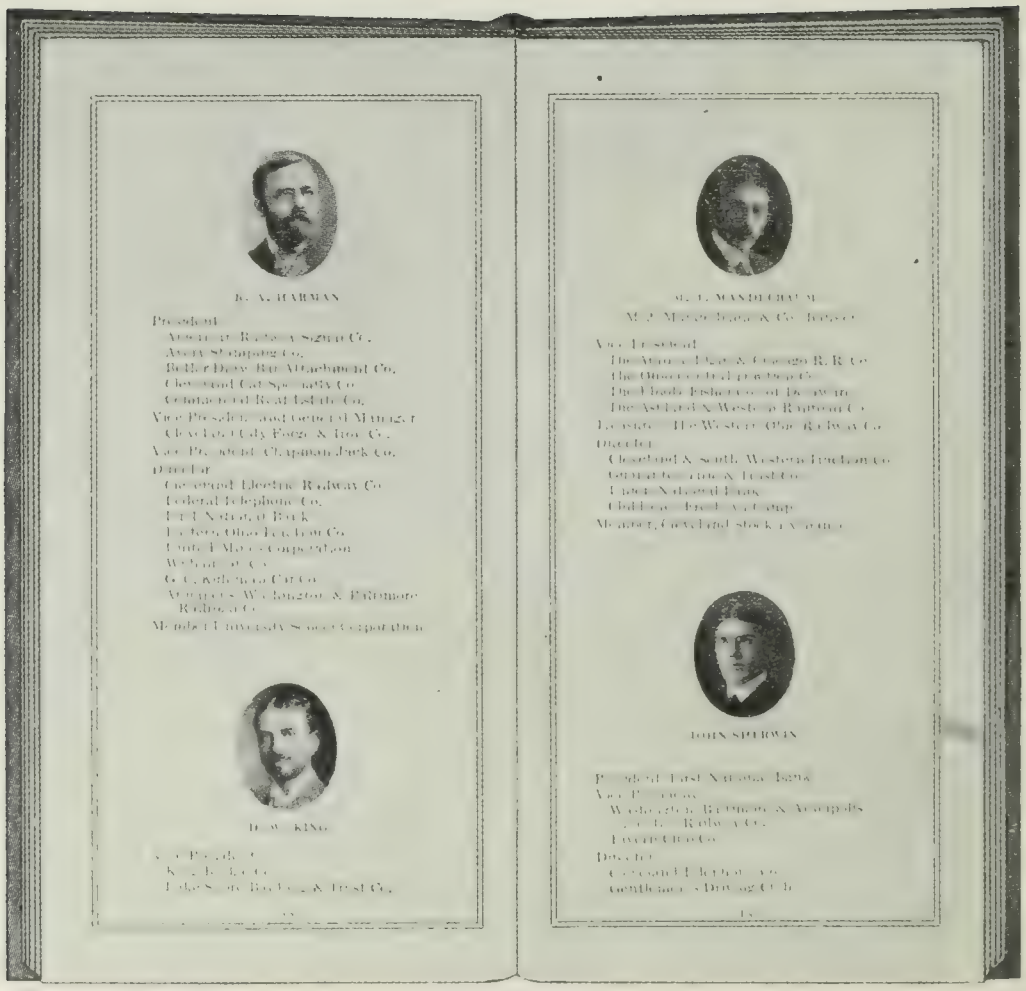


FIGURE 5-B

BANKING
BY MAIL
AT 4% INTEREST
ASSETS OVER 42 MILLION DOLLARS
CAPITAL AND SURPLUS 6 MILLION DOLLARS
THE BUILDING OWNED AND OCCUPIED BY THE BANK
THE
CITIZENS
SAVINGS & TRUST CO
CLEVELAND OHIO
ESTABLISHED 1868

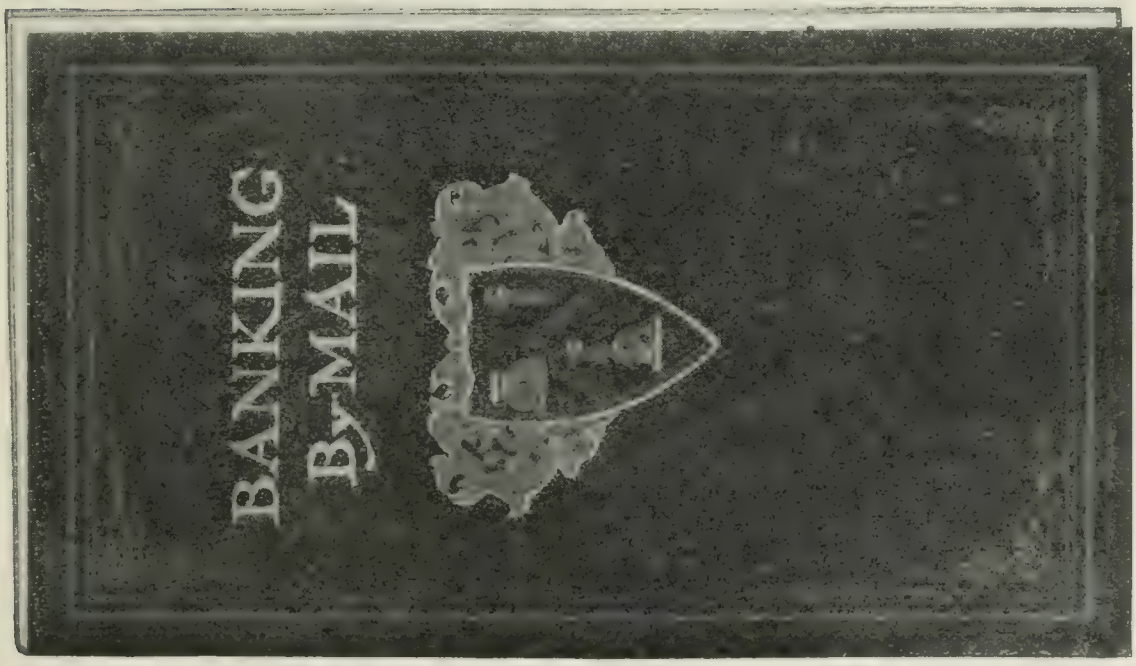
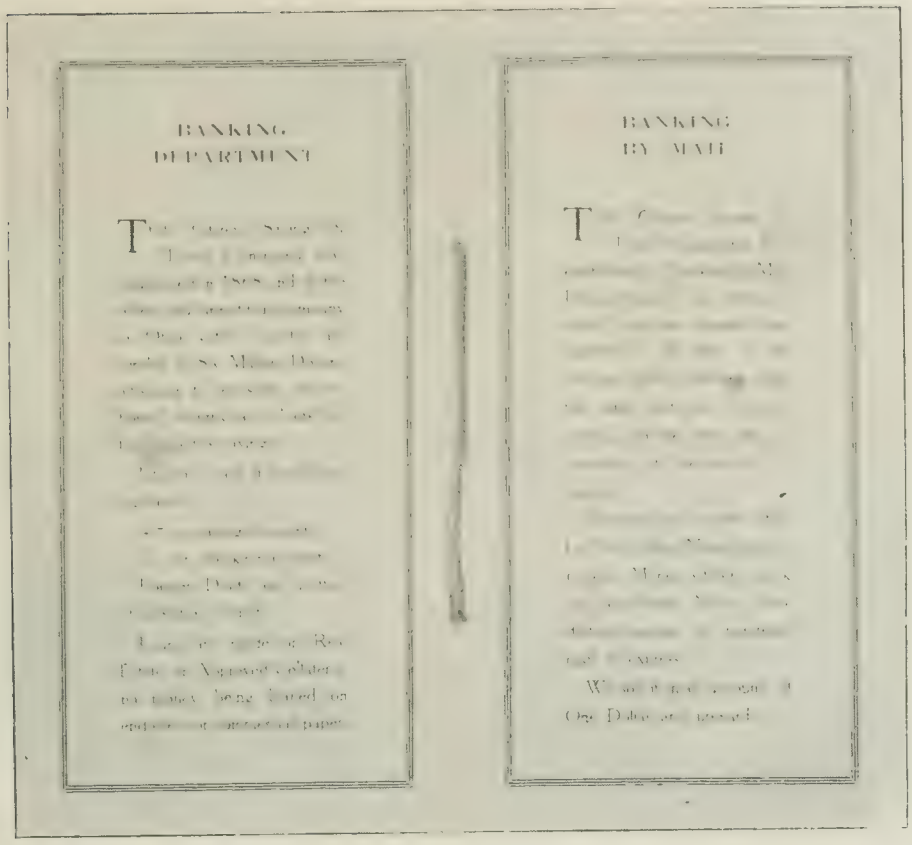

BANKING
BY MAIL

FIGURE 6-A

BANKING
BY
MAIL
AS ORIGINATED
BY THE
PEOPLES
SAVINGS
BANK
OF PITTSBURGH, PA.
THE BANK THAT PAYS
4%

MODERN BANKING
UNITED
STATES
DEPOSITARY

FIGURE 6-B



THE CLEVELAND TRUST COMPANY

some details of looking after it yourself. It will make investments for you, collect the income and pay over the proceeds at stated times, as directed, and it will take the same precaution and care in handling small sums in this way as when large amounts are involved.

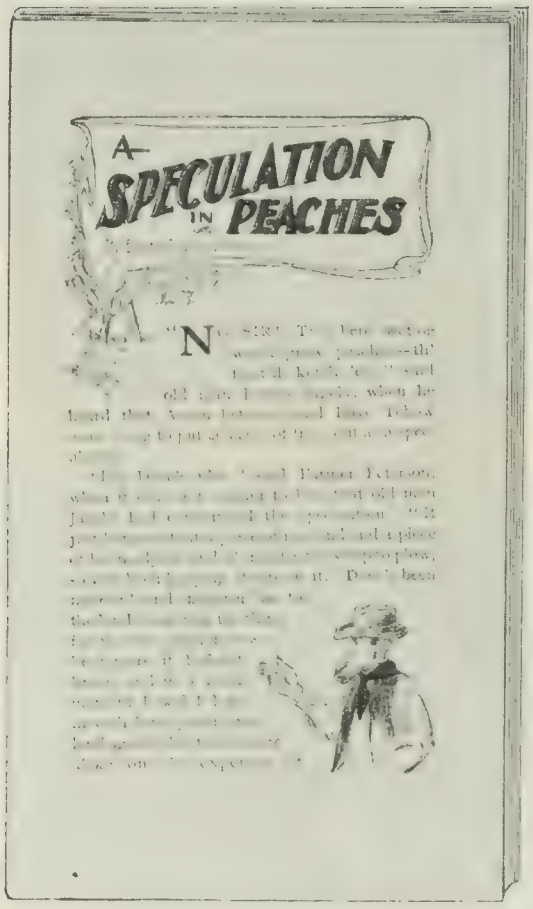
As executor or trustee under your will The Cleveland Trust Company would bring to your estate the advantages of its large experience in such matters

and the ripe judgment of its directors, who are among the most successful business men of Cleveland. In such capacity this Company should be far preferable to an individual. Its fees are no greater, being regulated by law. It never delegates its duties to others, follows in-

THE CLEVELAND TRUST COMPANY

structions to the letter and is unaffected by sentiment or family differences which might influence an individual executor. It never dies, but lives on from generation to generation, thus avoiding the expense attending a change of executors or trustees. Its facilities for obtaining high grade investments are infinitely superior to any individual's, and it is thus enabled to more readily keep the funds of an estate active at all times. In nine cases out of ten, where an individual executor would be obliged to consult an attorney, with the attendant cost, the experience of The Cleveland Trust Company, as executor or trustee, would obviate this necessity and save expense for the estate. When appointed executor or trustee under your will, this Company

FIGURE 7



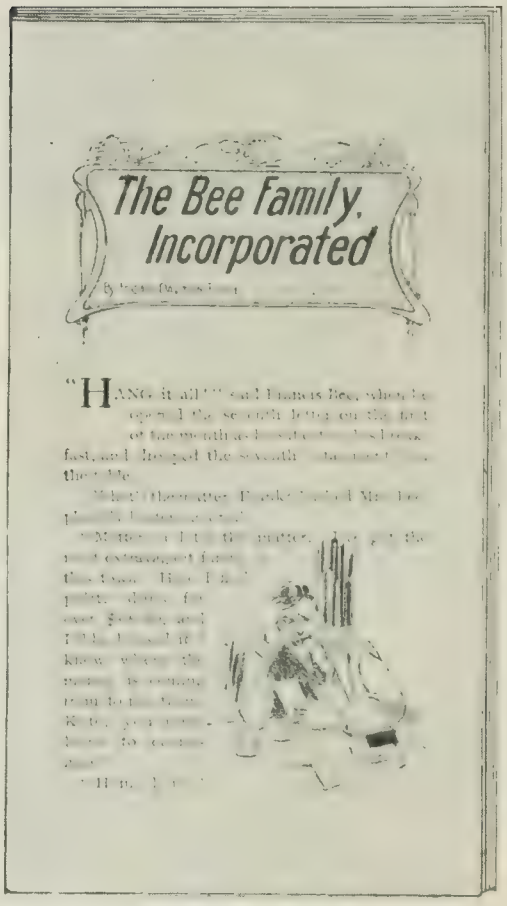


FIGURE 8

The simplest typography is generally the most effective.

The margins of the book shown on the lower half of the plate are properly arranged in so small a book where large type is used.

In Figure 8 we see what some care in arrangement and in illustration can do towards making a low-priced booklet attractive. There is a certain directness about these two examples that will hold a certain class of people.

Limitations of One Color Reproduction

Some of the handsomest examples of bank booklets I am unable to adequately show, because the coloring and illustration are beyond the ability of the one-color half-tone plate to portray.

I have before me booklets costing as high as one dollar and ten cents a copy, and ranging down to fifteen cents apiece.

I do not believe in the very expensive booklet, however. I believe that the handsome book can be overdone.

Merely richness and gorgeousness of color, without a distinctive message, means nothing but attraction. Time and again have I been attracted to a beautiful piece of printing issued by a bank, only to put it down after a few moments, disappointed because it constituted a beautiful piece of printing, nothing more. The feeling after reading such a book is akin to the visit we have made to a beautiful home, where all the ingenuity of the landscape artist had been called into play to prepare you for a feast within. You have entered the doors to find the harmonious blending of colors, oriental richness of design, the soft, insinuating fragrance of rare flowers, the inviting nooks with languorous couches and great bronzes and rare paintings and all the myriad evidences of prodigal wealth.

When you have come to know those who call all this theirs, the question has come into your mind, "Who was the master decorator; who conjured all this art out of the flesh-pots of those money bags?"

In Figure 9 is shown the cover page and sample of interior set-up of a booklet issued by The Royal Trust Company, Chicago, which illustrates the point of simplicity in typographic arrangement, linked with effective talk. On other pages I reproduce the contents of this sixteen-page booklet, which I consider one of the best presentations of the subject I have ever read.

I would ask you to note the simple, plain, straightforward style of statement. Have you seen anything better at twice the price?

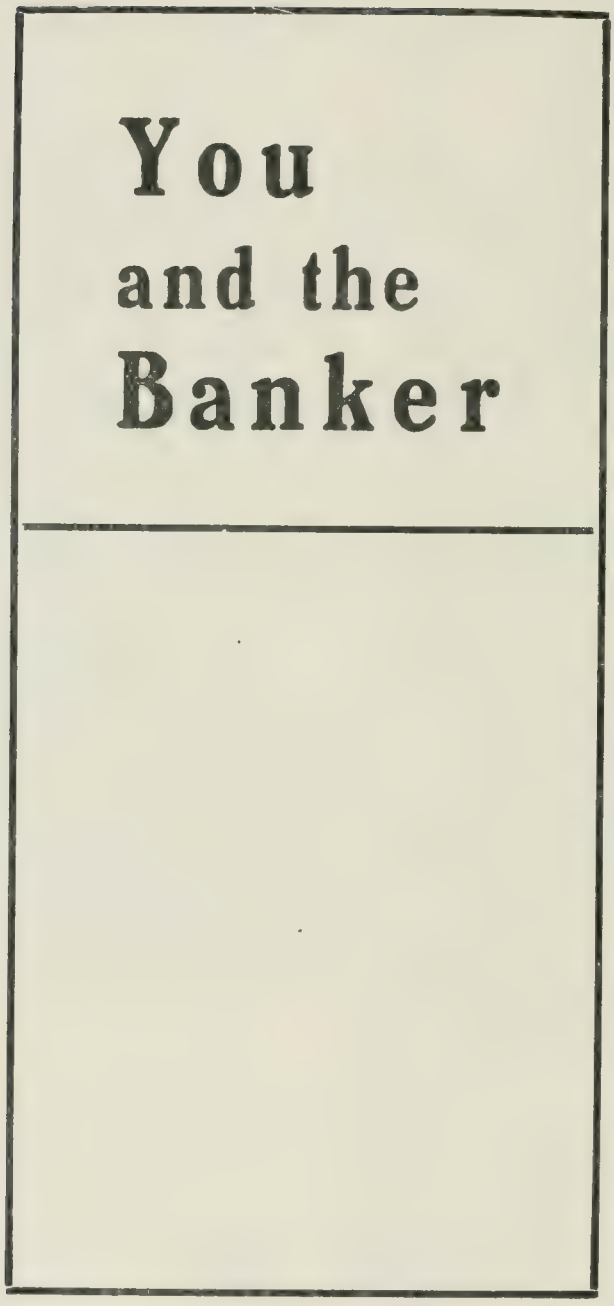


FIGURE 9

If we should all go to the same bank

to do our business, that bank might become somewhat independent. It's better as it is. One man banks around the corner because he vows he won't walk any further than he has to to do his banking business. Another man walks past every other bank in town, to the far end of the street, because he and the cashier of the bank that is located there are great friends. They were born in the same town in a neighboring state.

3

But these reasons don't influence the majority

of men when they choose a bank. As far as location is concerned, the street cars of this city run into the heart of the banking district, and the "Loop" runs around them all; while in the matter of friendship nine out of ten of the bank's customers never were acquainted with any of the officers of the bank before they began doing business with it.

You like to do business with a bank

that is looking for business. Why? Because you know that

4

there you will be welcome. You don't like to feel that you are being shown a favor by being allowed to do business with a certain bank. You want to feel that in bringing your business to the bank you are doing it some good and are helping to build it up. In other words, you are giving something for what you receive.

You like to feel near enough

to the bank officers so that whenever you want any advice in regard to your business, or any investments you may want to make, you can freely consult with them and get their advice, and feel that it is gladly given.

5

Some day some one of your family

or someone in your office may want to open a savings account. Isn't it convenient for you if you can say, "Come right over to my bank"? You can do this if you are doing business with a bank that has a Savings Department like the Royal Trust Company-Bank, which, by the way, was the first bank in Chicago to give out metal savings banks ("You have the bank—We have the key,") upon receiving a deposit of only $1.00.

You may want to build

a house or a flat building, and you may need some money to carry it on. If you are banking

6

with the Royal Trust Company-Bank all you have to do is to step into our Real Estate Department when you are at the bank, and the manager of that department will make you a building loan and assist you in other ways with his advice, if you desire it. When your building is finished we can collect the rents for you and attend to the taxes and insurance, and if you ever want to sell the building we can do that, too.

You, or one of your relatives or friends may have some money saved up that

You would like to invest at a better rate

than the bank is paying you. Let us know how much you

7

want to invest and we will find a good mortgage for you, or a safe bond.

We want to make ourselves useful to you

in anything pertaining to finances, and we can do it with profit to you and to ourselves.

You may want to make your Will. That is a matter you ought not to neglect another day. A fatal illness sometimes comes suddenly. We have a Trust Department in which

You can have your Will drawn

without expense to you, filed away (but accessible to you) and probated at your death, if the Royal Trust Company is named as Administrator or Executor.

8

Call or send for our booklet

entitled "Some Suggestions as to the Uses of Trust Companies." The matter of Wills is only one of the many ways in which a Trust Company can be helpful to you.

If you have any papers or other valuable articles

that you want to put away in a safe place, let us know the next time you are in the bank and we will show you through the Royal Safety Deposit Vaults located underneath our banking quarters, where you can rent a box at $3.00 a year that will probably answer all your

9

purposes. They also have larger boxes, as well as a room for the storage of trunks and silverware.

When you are down town on business

you will save a good deal of time and trouble if you deal with the Royal Trust Company, where all the different kinds of business already mentioned can be attended to under one roof instead of going to one place for your bank account, to another for your safety deposit box, to a third for real estate loans, and so on.

ROYAL TRUST COMPANY BANK
Royal Insurance Building
169 Jackson Boulevard

10

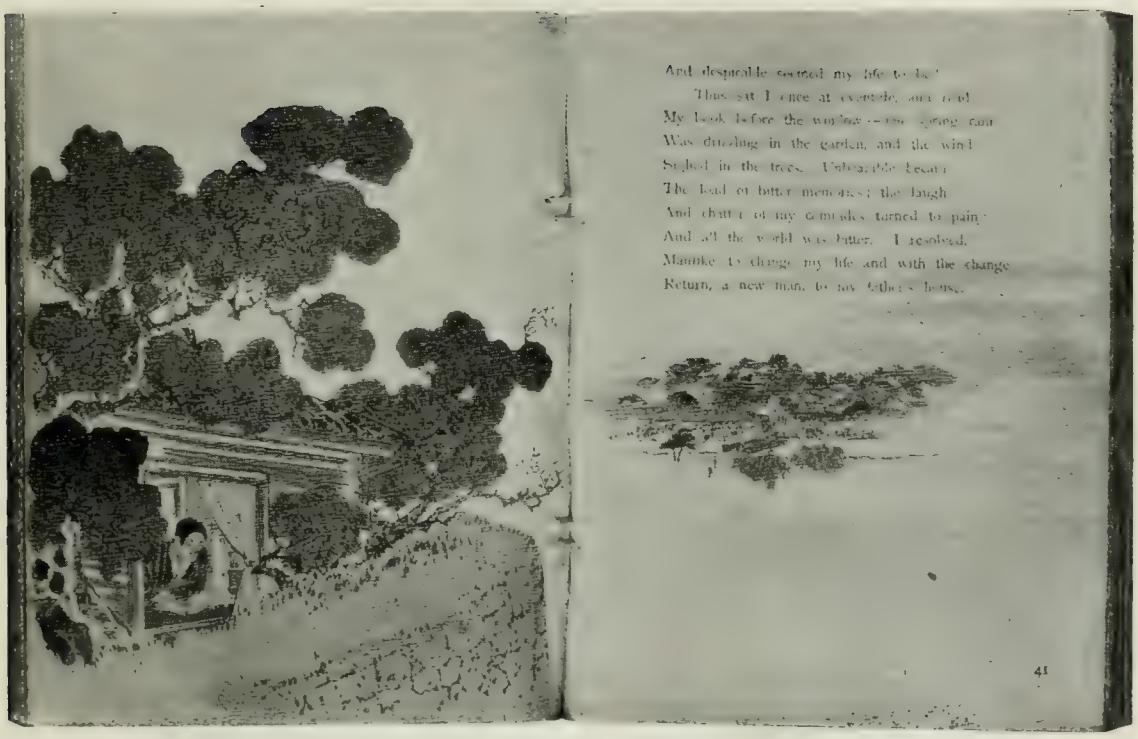

And despicable seemed my life to be!
Thus sat I once at eventide, and read
My book before the window — the spring rain
Was drizzling in the garden, and the wind
Sighed in the trees. Unbearable became
The load of bitter memories; the laugh
And chatter of my comrades turned to pain;
And all the world was bitter. I resolved,
Manlike to change my life and with the change
Return, a new man, to my father's house.
41

FIGURE 10

The Vaults

THE vaults, which are located in the rear of the banking room, are absolutely fire and burglar proof, all the latest improvements known to vault engineers, safe and vault builders having been embodied in their construction.

The main vault, which has walls nine inches thick, is divided into two compartments—one for the bank's use, and the other for safe deposit boxes, each having a separate entrance.

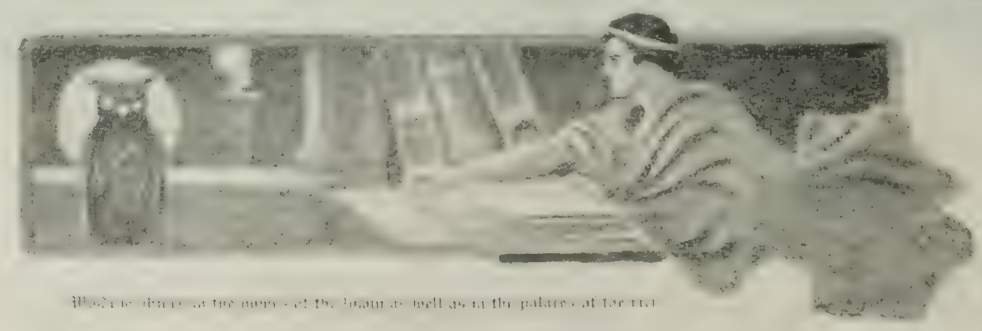
The thickness of each outside door is seventeen and a half inches, and each inside door is eight and three quarter inches thick.

All doors are hung on steel hinges, fitted with ball bearings, and have massive pressure systems for seating them. The bolt work of each outside door is controlled by a three-movement time lock, arranged so they will operate at a predetermined time only.

The total weight of the bank and safe deposit vaults is over [illegible] pounds.

In connection with the vaults there are cozy committee rooms and small coupon rooms where business may be transacted and papers examined at leisure.

In addition to the main vault, there is a vault for books of the bank, and in the basement a vault has been provided for storage of silverware, trunks and bulky valuables.



[illegible]

FIGURE 11-A

FIGURE 11-B

FROM THE DIRECTORS
OF THE
STANDARD OIL COMPANY
TO ITS EMPLOYEES AND
STOCKHOLDERS

FIGURE 12

CONSPICUOUSLY POOR PAMPHLET COVER-PAGE

From pamphlet recently issued relating to judicial proceedings. This was printed on a straw-colored, smooth finished stock in the exact position on the page as shown above, showing complete disregard for style both in composition and position on the page.

—*Courtesy of "Printing Art."*

Have you seen anything more dignified, or strong, or more suggestive and interest-compelling and holding?

It seems to me to be an unusually effective handling of a cheap booklet, for it cost less than anything we have considered.

In Figure 10 I show an interesting idea in booklet arrangement, the treatment of two pages as the unit of decoration or illustration.

This is the Japanese method, and it seems to be worthy of our attention.

Isn't the logic on their side?

Two Pages the Unit

As we open a book two pages confront us; we see these two pages as the unit of our impression, in fact, we may hardly divorce the one page from the other if we desire.

The two pages as arranged in the Japanese style, however, give a pleasing unity of design and impression.

There are no violent or contending contrasts. Under such appeal the mind is lured to concentration.

Compare this with the typical American style shown in Figures 11A and 11B, two pages taken from a Pittsburg booklet, in which we have a decorative treatment of the illustration on the left-hand page entirely out of harmony with the photos and the decoration on the right. The talk on the left is about vaults, supported at the bottom by a youthful figure glaring at an owl, with the quotation, "Wisdom abides in the homes of the lowly as well as in the palaces of the rich." The somewhat cryptic application of this bit of wisdom does not explain why the office and ante-room of the president should appear on the next page.

A Page at a Time, the Fault

This is a somewhat pointed way of calling attention to our American fault of making up our booklets and catalogs a page at a time. If we would consider the two pages of the booklet as it lay open before us as the unit, our attention would be frequently called to a realization of how absurd and incongruous were the juxtaposition of ideas, pictures and suggestions.

The Japanese method is much stronger, more logical and surely more effective.

How much poor typography can do to thwart the purpose of a booklet is shown in Figure 12, a reproduction of a title page of a booklet or pamphlet issued by the Standard Oil Company. I submitted this pam-

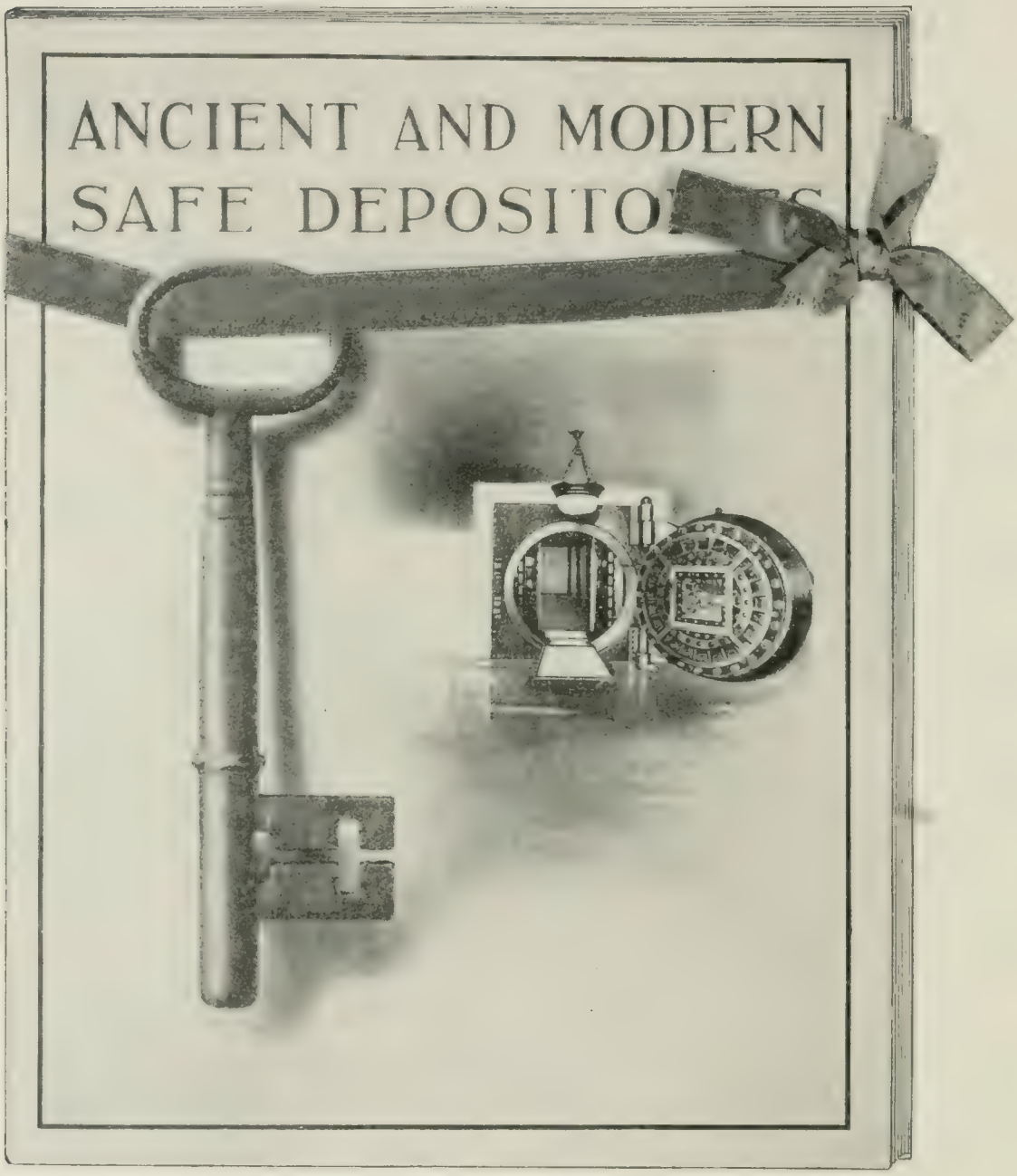


FIGURE 13

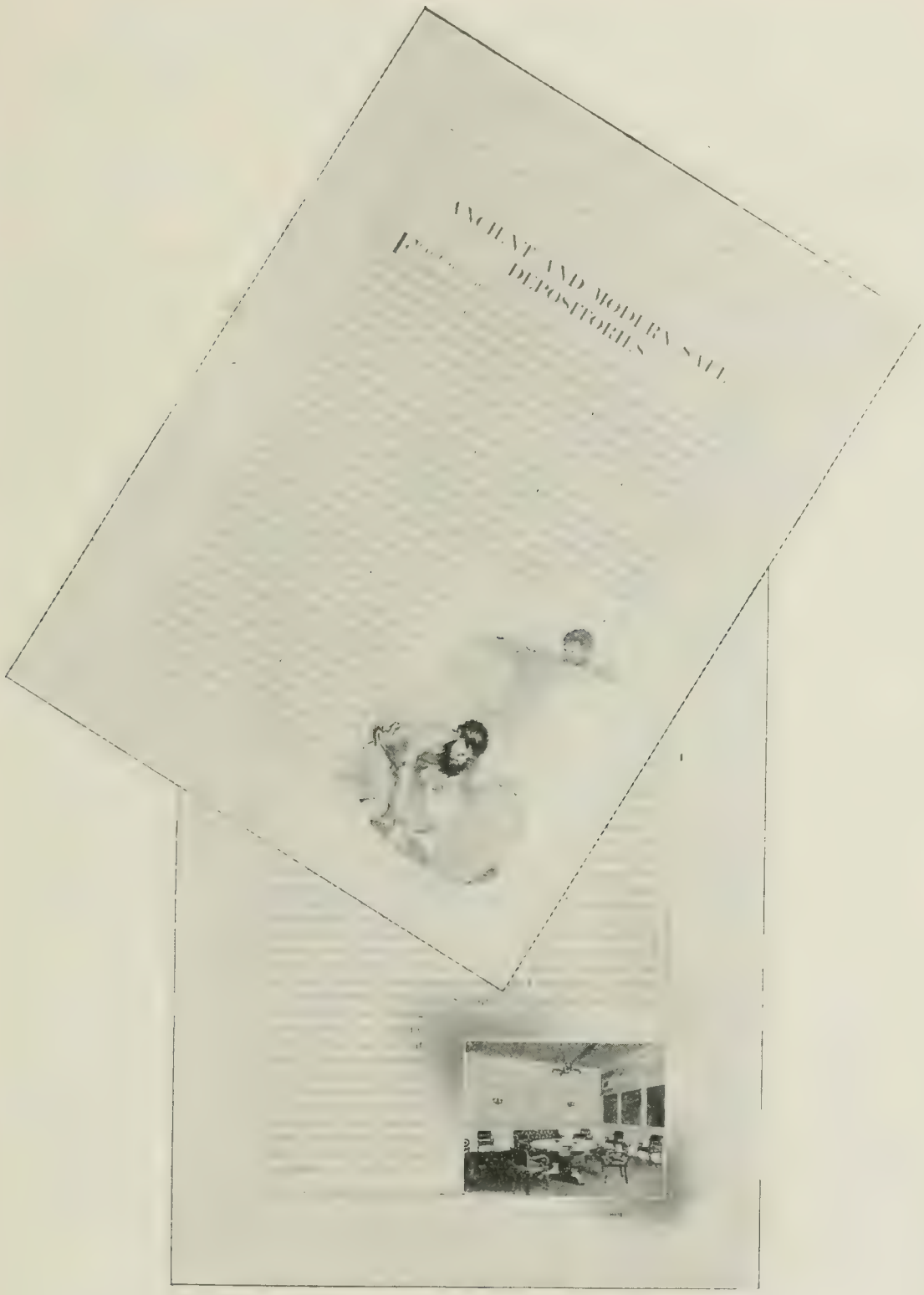


FIGURE 14

phlet to thirty-nine business men, who had no interest in either the printing, engraving or advertising business.

Standard Oil's Bad Taste

With but one exception the remark was made, before the reading matter was even glanced through, "What a poor piece of printing," or, "Rather poor printing for such a concern to send out," or other words to the same effect. In all, the pure, unadulterated badness of the type arrangement caused the wonderment.

That a company of the size and standing of the Standard Oil should permit such a pathetically impotent piece of typography to go out is a confession of a degree of technical ignorance amounting to almost a crime. The inside make-up of this particular pamphlet was equally bad, the type face squat and badly broken, the headlines lacking in character, the margins narrow on the sides and large top and bottom. In fact, the whole performance was a "libel on the standards of American printing" and a reproach to the quality of the technical training and good taste of the head of the publicity bureau of this corporation.

The ornate and elaborate booklet is shown in Figure 13, as issued by the Northern Trust Safe Deposit Company, Chicago. It is an out-of-the-ordinary booklet; it is attractive to a certain class of people. Viewed as a piece of printing it does not conform to good practice, being too large (8¾x11), while the ribbon effect is suggestive of a lingerie shop rather than a bank.

The arrangement of the inside pages (Figure 14) is clean cut and attractive; but rather lacking in the character of the outside and the pretty bit of gray ribbon, and surely out of harmony with it.

Compare with the foregoing Figure 15, taken from the cover design of a booklet issued by Commercial National Safe Deposit Company, Chicago. Here is dignity and quiet elegance, in a smaller form, but still too large, but the pages shown in Figure 16 bring out the point of comparison, the decorations and illustrations are in keeping, all the former being reproduced from architectural detail of the building.

It is hardly necessary to point out that the advertiser who has had little experience in printing will prove an unsafe guide in determining the character and style of printing.

There are too many fine points of distinction, subtle yet vital, in the applications of technical principles, to warrant an unskilled, untrained

mind ever hoping to have more than a gambler's chance in the quest of obtaining the most for his money.

People will Judge

In nothing that the bank advertiser does will he be judged so accurately and quickly as by his booklet and folder advertising.

It is inevitable. The advertiser may no more dictate to the public what it will think about his poorest effort than he can dictate what it will eat or wear. The advertiser can control this in but one way—by recognizing the laws controlling human judgment, the taste of his prospective customer and the suggestion of his ideas and artistic treatment.

The principle involved, broadly stated, is the old one in all such controversies. Good printing and good taste have always attracted the most people of all grades of taste and intelligence, while vulgarity and bad taste have not proved pleasantly attractive to any.

Copying the Mail Order Man's Weaknesses

The big, black display advertisements of the mail-order houses, with their poorly displayed and printed catalogs, have been copied by bank advertisers. The inevitable result of all such imitation always is—the copying of the form and not the spirit of the advertising. The copyist has the black type and all the ugliness down to a minute measurement of exactitude, but he has forgotten the one purpose of that work—it was to attract attention by blackness to *price*. The price has always been the great attractor and interest awakener. It has always been the keynote of the mail-order advertisement. What has the bank advertiser to offer?

Surely, nothing in the way of a bargain.

Poor Pictures Not Attractive to Poor Judges

The banker appealing to a low order of intelligence, as he has to in the factory districts and the backwoods country, must use the vehicle that appeals to his people. He must use the loud pedal, so to speak, in all his advertising, but there is no reason why he should outrage all the laws of optics and make his advertisements difficult to *read* by putting them in small type and printing on spongy, cheap paper; there is no reason why he should deliberately use poorly drawn illustrations, containing men and women with misshapen hands and faces, or show horses that look more like bullocks, or houses like chicken-coops; there is no reason why he should not be natural at least in the making of pictures that call for composition and perspective.

Let him, if his public wants it, use the most striking, insistent and "loudest" colors, or black and white effects, but there is no necessity and

COMMERCIAL
NATIONAL BANK
COMMERCIAL
NATIONAL SAFE
DEPOSIT CO.

FIGURE 15

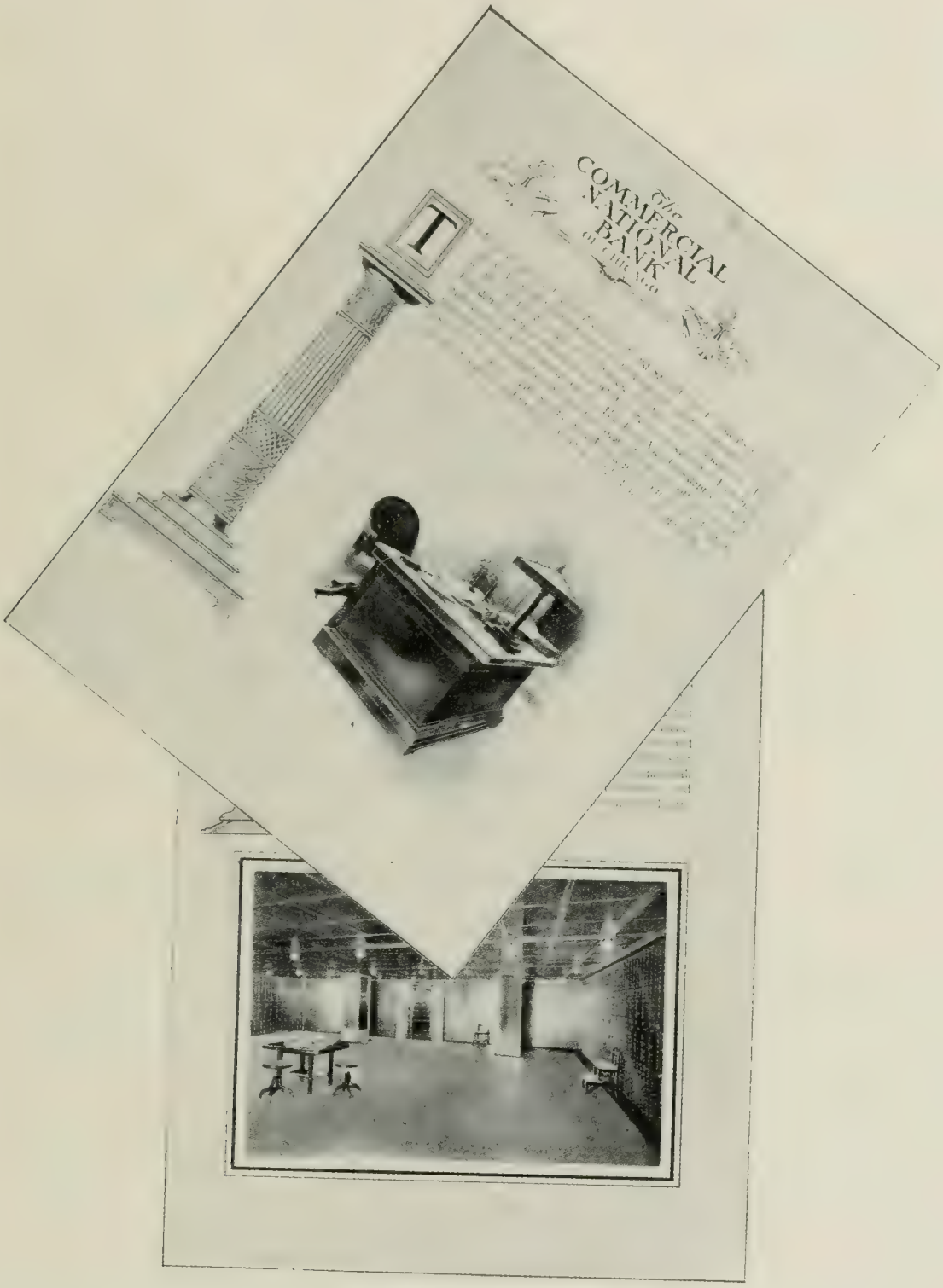


FIGURE 16

no sense in being deliberately untrue to nature, to fact or to the purpose of an idea.

Get the Difference

The great mail-order houses, than whom we may require no safer guides, sell goods in your town, I do not care where you are, by advertising.

They have ceased to argue that the worse a picture was drawn the more effective it was. They are putting more and more expense into the designing of their illustrations and the making of their cuts.

Simplicity and force and directness have just as much power with the masses of the people as with the classes. Figure 9 admirably presents the value of my contention.

I do not mean to say that the beautiful, ornate and expensive book will appeal to the masses as well as to the classes.

I know that a piece of printing can be so handsome as to have, in-so-far as its appearance is concerned, an actually repellent effect on the masses. No piece of advertising, however, is good advertising that is so beautiful that it loses the recipient in admiration of its physical beauties, rather than compels him to read its message.

Here is where so many booklets of the most beautiful workmanship fall short of being good advertising.

Any piece of commercial art must inevitably suggest the object for which it is used. It must lead the mind through its charming suggestiveness to a condition of mental receptivity towards the commercial message it has to bear. The picture or the booklet, or the folder, or the advertisement that fails in this, fails to be a commercial force in the greatest and most remunerative sense.

Art First, Business Last

Just here is where so many calendars and post-cards, booklets and folders, have failed—they have been works of art without a commercial message.

This brings me to the principle involved in advertising to the masses and the classes.

With the former we may be direct, placing the facts before them, with short, trip-hammer blows of homely statement, laying on the sentimentality in broad strokes.

With the latter we must attract by simple beauty and suggest, imply and insinuate through the use of sentiment, not sentimentality, with the iron hand of reason gloved in the velvet of felicitous phrase.

Reason and Power in Phrasing

There are three things that enter into the making of every booklet or circular:

1 Paper

2 Type

3 Color

In the making of a successful piece of printing none of these may be left to chance.

There are at least two hundred and sixty different colors, textures, finishes and qualities of printing papers.

There are over one hundred different faces of type, while the color combinations are as many and various as the color spectrum and the multitudinous gradations of its tones and half-tones.

Thus the untrained man who attempts to find his way to success through this vast opportunity for error is almost inevitably doomed to keen disappointment or to excessive expenditure for a satisfactory result.

In another chapter I shall deal with the question of the printer's part in successful printing.

A word here, however, will not be out of place, relative to the part these three elements play in the creation of an impression.

Paper Stock Comes First

Before you may say what illustrations you will use or what face of type or what cover or binding, you should select your paper stock. There are certain kinds of paper that lend themselves to the best effects under a given condition. The texture of the paper is important, because the texture of some papers does not lend itself to the artistic *motif* of the book.

Bank advertising must have an inherent dignity.

The honest, hand-made papers, with their deckle edges and firmness of texture, have always appeared to me to be peculiarly appropriate to financial advertising.

With this as a basis we cannot go far with half-tone illustration, because the half-tone must be printed on coated or highly finished paper.

On the other hand, the peculiar qualities of Japan vellum makes it effective for the artistic printing of re-engraved half-tones, while it is characteristic in surface and quality.

After all, we like papers or do not like them, as their characteristics appeal to us.

The Character of Type Faces

In selecting colored papers remember that your type face must be considered. For instance, a thin letter: i. e., made up of thin lines, will not look well nor read well on a blue stock. The color of your stock must harmonize with your type color scheme. Grayish black does not look well on blue. More of this, however, in another place.

Type has characteristics, as a reference to Chapter XXII will amply demonstrate. These characteristics must be understood by the bank advertiser that he may realize in the display the character of his work.

The composition of the color scheme is in turn important as giving a harmonious background to the purpose of the booklet. The color scheme must not be constantly fighting the wording for the attention of the reader. It must be easy on the eyes of the person who reads it—for here, as in every place, common sense and science determine what is right or wrong. An instance: Red is an attention attractor, yet it would be absurd to print an entire booklet in red ink, or to print a closely arranged circular in black ink on red paper. Using a big bold face type on a red background with a few words is effective, but imagine, if you can, without involuntarily frowning, the result of printing a page like this in black ink on a turkey-red paper!

Here, as in other places, study models.

Don't go to banks for your models either, but send for the booklets issued by the great advertisers and understand that those that appeal to you most powerfully are not the result of chance or good luck, but are the result of painstaking care in the selection of paper, type and color of inks.

Calling on the Right ind of a Printer

Given the right attitude towards the printing, you will call on the right kind of a printer and gain the co-operation of intelligent technical training, if not the highest degree of effectiveness, and be saved from the ridiculous results of vanity and ignorance which have made some bank printing pathetic when not provocative of the laughter and jest of trained advertisers and experienced business men.

In what is a booklet different from any other advertisement? In what way is it to be different from the newspaper or magazine advertisement, the folder, the street-car card, the poster or the personal letter, or the catalog?

A Booklet With One Idea

A booklet should be written with one idea. It should have for its subject a certain distinct element, item of service, department or principle of your work. If you are a banker you might issue a booklet under some such title as "Your Bank," and that booklet should be written to touch everybody who does business with the bank. It can't be individualized so much that it will completely reflect all the points in a farmer's business on which the bank touches, nor can it be individualized in all the points in which a lawyer or a doctor or a school teacher or a laboring man or a retail merchant would be interested, but it can touch the points in which all of them are concerned in such a fashion as to make it interesting to all of them.

A booklet is not as personal as a personal letter, nor as specialized as a newspaper advertisement. You touch but one point that is interesting to one man or set of men in a newspaper ad or personal letter. A booklet takes this point and develops it so as to answer all latent objections and make the answers interesting to all who read it. It is intended to amplify and complete an argument.

A trust company, for instance, ought to issue booklets on such subjects as "Guardianships," "Trusteeships," "The Real Estate Department," "The Bond Department," "The Woman and Her Bank." Such subjects could be made the topics of complete booklets that would satisfy in form and convenience the average person who reads them of the value of the services the trust company had to offer.

The bond and investment house ought to issue a booklet on service, showing how a house making a specialty of bonds and investments is in a better position to serve the possible customer than those that simply handle these things as a side-line to a greater business.

Separate Booklets for Safe Deposit Companies

Safe deposit vaults should not be content with a general booklet, but should issue separate booklets on the savings deposit vault as a place in which to put your jewelry, another for your insurance policies, stocks, bonds and important personal papers; another showing the advantages of a safe deposit vault to those who are about to leave their homes for the summer or foreign travel.

The distinction between a booklet and a folder is a simple one—the length of the story. Very frequently the story is not sufficiently large for a booklet and the point can be made better in a folder than it could be in a letter. No difference should be made in the get-up of a folder and that of a booklet. The slighter the argument, the smaller the point that you want to get into a man's mind, the more insistent you should be that the folder should be attractive and interesting so that he will read it.

Printing an Essential Part

Printing has become an essential part of business. It used to be a thing apart. Today every business man must use printing. He must, whether he would or not, express himself by the printed word. It has become a part of business necessity to know how to use printing; for that reason he should know something about it.

The booklet and folder, as we have seen, afford us an opportunity to say more than we can say in any other way, and they give at the same time an opportunity to write a personal letter enclosing one or the other that will concentrate a prospective customer's mind thereon and cause him to read it, absorb its message, and possibly put it away for future reference. Don't let us forget that last, which is the most vital..

If the booklet is apparently cheap, poorly arranged and ineffective, it will obscure the strongest message. If it is difficult to read because of a poor color combination, or because the type is badly selected, or because it is poorly arranged, we have placed just that much handicap on the possibility of our message reaching the man's mind; therefore let us study the methods that have proved most effective. As Mr. Otis Keene has said: "If our written words and thoughts are the occult spiritual shapes of our ideas, they need to be embodied in attractive physical form; that is to say, worthy thought needs to be well and tastefully set up. *Many a good idea is buried alive in a tomb of type.*"

Things That Make Advertising Attractive

It is well to remember that it isn't the force and cogency and beauty of the expression of our ideas that make a thing attractive. As it is not the words we use, neither is it the felicity of our conception that attracts the attention, but it is the outer physical embodiment of these things which is subject to scientific principles of sense and a knowledge of human nature.

Keeping these things constantly in mind, we will not be tempted by the merely dextrous nor seduced by the unusual. We must learn from the victories of the past how to accomplish the successes of the present.

Let us give our minds entirely to the question of getting our message to a mind already prepared by the eye for a cordial reception to what we have to say.

If there were no laws governing typography, there would be no laws governing art.

Art would be a chaos of warring individualities; typography would depend upon the vagrant inclinations of the moment, or the lawless fancies of the lunatic for its most effective expression.

CHAPTER XV

THE HOUSE ORGAN AS APPLIED TO FINANCIAL ADVERTISING

THE BANKER WANTS A LOT FOR HIS MONEY—COMPARISON OF METHODS—THE LITTLE PAPER OF YOUR OWN—EASY GOING FOR THE FIRST TWO OR THREE MONTHS—APPLICATION OF THE IDEA TO A RURAL COMMUNITY—EXPERIENCES FROM CASHIERS—EFFECTIVE METHODS OF HANDLING A MONTHLY PAPER—THE WAY A SMALL BANK SOLVES THE PROBLEM OF EDITING ITS PAPER—MAKING THE PAPER INTERESTING TO THE LOCAL PEOPLE—TYPICAL CONTENTS BY PAGES FOR AN INTERESTING PAPER—THE USE OF ILLUSTRATIONS—PRESS CLIPPING BUREAUS—THE PRINTER WHO CAN MAKE IT LOOK LIKE A PAPER AND NOT A CIRCULAR—THE SYNDICATED PAPERS—ANCIENT ANECDOTES AND OLD JOKES—THE TYPICAL ARRANGEMENT AND CONTENTS OF A SYNDICATE HOUSE ORGAN—SOME FACTS AND FIGURES ABOUT THE RETURNS AND THE PROFIT OF PUBLISHING A LITTLE PAPER—CO-OPERATING WITH THE SYNDICATE MANAGER TO MAKE YOUR ADVERTISING EFFECTIVE—ARRANGING WITH SCHOOL TEACHERS FOR DEBATES—ANOTHER CHANCE FOR EDUCATING YOUR PEOPLE—WAR WITH THE FAKE MINING AND INVESTMENT SCHEMES—ACCEPTING LOCAL ADVERTISEMENTS—DOES IT PAY? IN THE LONG RUN—THE DISTINCT FIELD OF HOUSE ORGAN USEFULNESS—MAKE IT TALK ABOUT PEOPLE AND NOT ABOUT THINGS—THE CIRCULATION OF A HOUSE ORGAN—LARGE HOUSES HAVE DAILY PAPERS TO VOICE THEIR OPINIONS—THE BIG BANK CAN USE HOUSE ORGANS AND WILL—A GREATER FIELD THAN HAS YET BEEN COVERED

Surprising and True!

ADVERTISING costs money, and the banker is constitutionally against spending money on anything that does not produce a tangible and immediate return.

This feeling has kept him out of the newspapers, except as the law and a sense of duty required it. It has kept him out of the magazines almost entirely, and he long possessed the comfortable feeling that the ethics that forbade the active solicitation of business was one of the evidences that Providence had banking in its special charge.

But in these days the younger banker has new ideas, and as banking has become a business, he says: "Get the business," and he goes after it.

The problem is, how to get all the people with whom you want to do business, and not bother with those you can not get or do not want.

Newspaper advertising is expensive and there is always a waste circulation.

Personal letters are difficult to write to a highly diversified community and the interest in a continued series hard to maintain. It is difficult, also, to get them properly reproduced. The cost is large. Circulars are restricted in their appeal; booklets are expensive and the waste basket yawning.

Why not have a little paper of your own?

The little paper of your own is hard to edit and maintain interest and character for any length of time.

For the first two or three months it is not difficult to sustain a comparatively satisfactory appearance and quality.

You have had several things you want to say and you say them, and then comes a stoppage in the flow of ideas. You find it difficult to fill the space with forceful, timely and readable matter. You commence to wonder if it is worth the time and trouble, and it is right here most of the house organs come to grief.

Why We Call It a "House Organ"

We call it a "house organ" because it reflects the ideas and personality of the house issuing it; it is the means of expression of the house's ideas and brains and point of view, by which the house becomes known to the world at large, and by which its repute and character are to be determined.

Hence, we shall call the magazine, leaflet, booklet issued in the interest of a single bank or financial concern a "house organ."

The house organ is an advertisement disguised as a regular publication.

It is generally sent free of charge and often contains no advertisements except those of its sponsors.

It is generally conceded, however, that these two things are its chief weakness as a business proposition, and even as an advertisement.

The publication a man pays for he appreciates and will read more closely than the one he receives for nothing.

Many advertisers using trade publications refuse to use the medium with a large free list, because they know it has little influence and value, if people will not pay for it.

Advertisements of other concerns published in a paper, argue a faith in the publication, and there is an atmosphere of value, stability and interest when the publication has the appearance of business.

Two Kinds of House Organs

House organs are of two kinds in the field of financial advertising—the one to advance the merits of commercial and savings banks and trust companies, the other to advance the business of the bond and investment house.

In Commercial Banks

Considering the house organ of a commercial bank, it is an excellent method of advertising in widely scattered rural communities, where a knowledge of banking is primitive and the working force of the bank is not enough to permit of the frequent absence of the cashier.

Having had the privilege of investigating the workings of the house organ advertisers through the testimony of over five hundred banks of all kinds, which issued such publications, I feel free to say that I know of no method of periodical advertising that will appeal so strongly to country business and to some classes of city business as the house organ.

The following from Mr. W. M. Mason, cashier of the State Bank, Bancroft, S. D., is typical of the reports made by bankers in agricultural districts:

Experience from South Dakota

We can truthfully say the house organ, "Bancroft Progress" is a winner for our bank. We commenced in March, 1905, and continued until January, 1906, when we stopped to see what effect the paper had.

During the time the paper was in circulation we saw deposits made that certainly came from hiding. One man brought in $1,400 in gold, sewed up in a sack and placed in a baking powder can. He said he had not understood banks or how to keep an account, but had thought that we charged for keeping money!

I am now operating three banks—this one, one at Carpenter, and one at Yale. We are going to resume the paper next month and never stop it again.

You will not feel the returns much until the paper has been circulated about five months. Then you will discover the people taking out pass books or certificates of deposit instead of wadding the money down in their pants.

At first we accepted advertising from the stores of our town sufficient to pay the whole cost of the paper, but finally decided it was better for us to give more attention to our ad on the back page and to have all the rest of the space filled with reading matter. It has more effect on the people that way. The paper itself tells all the whys and wherefores about banking, and the ad on the back shows up the remedy.

From Kalamazoo

On the other hand, it succeeds in many of the small towns. Kalamazoo, Mich., is a city of 30,000 people, in the heart of an active territory. The cashier of Bowman's Bank there says:

In the three months we have issued the "New Era Banker," the number of customers in our savings department has steadily increased, and we give the paper the credit of bringing at least half of them. Our method of distribution so far has been as follows: To start with we made a selected list from our city directory and from this we are making a regular list. This we can change from time to time if we desire so as to cover the whole city. The change can be made by one month dropping the names commencing with "A," a couple of months later we can drop the ones with "B" and so on. We find that quite a few enjoy reading the paper so much that they do not like to miss a number and they ask us to mail them one, so these are placed on a permanent mailing list.

A Nebraska man, Mr. J. S. Adair, cashier of the City National Bank, Kearney, Neb., (6,000 population) says:

One From Nebraska

One of the notable results from our publication of "The Thrifty American" was this:

A certain farmer of this locality, after receiving the second number of our paper, came in to see us about it. He said he did not know much about a bank, and had never had any dealings with one. The paper has interested him and he wanted to ask a few questions about opening an account. We explained and he departed. The next week he came in with a grain sack of silver and bills, which we counted over and found the amount to be over $3,000. This hoard represented his savings of years, which would probably never have been brought to the bank if we had not sent out the little paper.

The house organ is not alone of value in agricultural communities, but it is a power where the city bank has a savings department and is situated in a district to which it can readily draw the wage-earners.

There are two ways in which you can publish a house organ:

(a) Edit it and publish it yourself.

(b) Subscribe for one of those published on the co-operative or syndicate plan.

Why House Organs are Sometimes a Failure

The objections to the first way are time, aptitude and expense. The average bank that can use a house organ to advantage has not enough office force to give a competent man the time to edit a publication of this character. It is quite easy to write enough copy to fill the pages, but it is an altogether different thing to write enough *interesting* copy each issue, so that people will not lose interest in it, thereby rendering it ineffective and unprofitable.

The small bank cannot afford to prepare its own copy and to pay the price of printing an exclusive publication, hence it turns to the co-operative basis.

The large bank in cities of 100,000 people and having an appropriation of $3,000 a year to spend in advertising can afford to publish its own house organ.

The house organ has an opportunity to reflect local conditions on every page, and it can most convincingly reflect the personality and character of the bank itself.

In the Large City

These things are essential to the greatest measure of success because the public of the larger city is more difficult to attract and interest.

There have been a number of individual house organs published, but few are largely successful, because house organs call for a class of editorial management that is not readily obtainable at a salary the average advertising appropriation can stand. The copies of house organs

available show on critical analysis a too exclusive concern with the advertising of the banks and things financial.

Every page has been made to yield encomiums for the bank, its officers, stockholders or largest customers.

Florid Taffy Nauseates the Reader

People seldom read obituaries after a man dies unless he was remarkable in life, and to have florid taffy applied while he is yet alive is likely to make one impatient, to say the least.

Let me suggest typical contents of an eight-page house organ for a bank having a savings department in a city of 200,000 inhabitants.

The bank is an old institution and the officers well known business men in the city.

The house organ is circulated in the small residence district, among the mill and factory workers.

The pages are 7x10 inches in size and each page, if set solid, would require about 1,250 words, which will give a very generous amount of reading.

The pages are made up to look like a small edition of "The Saturday Evening Post."

Naming the Paper of Your Own

It is printed on the best of coated stock, in one color of ink. We have given the publication a title, containing some hint of our purpose, such as "Money," "Money Talks," "Bank News" or "Bank Talk," or some name embodying the name of the bank.

We lay out a dummy of our eight pages, so that we may know exactly what we want to allot to each page, and where we shall start and end with the material we have at hand.

Contents

FIRST PAGE—"A Talk to the Man on a Salary," by E. M. Jones, president of the bank. Mr. Jones dictated this to the stenographer, and it was rewritten and livened up a bit by the man who did our advertising. Illustrated with a cut of Mr. Jones in his office and a photo of a clerk at work in the lower right-hand corner. This page is "display," using larger type than in the rest of the pages and arranged so as to have the value of a page illustration.

SECOND PAGE—Leading article about the new industries coming to town, and why the town's growth means something in every wage-earner's pocket; why they should help to keep our town clean and always

boost it. Illustrated with cuts of the prominent new arrivals, with a short, sane, conservative review of their careers. Fill out with some short, pithy paragraphs about the local men who are winning their way.

THIRD PAGE—A good short story of a page length, taken from some publication; subject business and business men. It won't be a Sunday-school yarn of unrealities, but a good, clean story that men will read because it is true to life and *interesting*.

Some Hints As to Contents

FOURTH PAGE—Some talk about the men who save. Suggest a plan for a cottage that could be built by a man who could save $10 a month.

FIFTH PAGE—What the manufacturing plants are doing. A review of the city and county, and a paragraph or two of general outlook over the whole country, so that your people may know what is going on. We will not talk panics, but here we will show how and why prosperity is helped or retarded.

SIXTH PAGE—Household Economics.—Dealing with the charge accounts at the store, and why they are temptations for the man on a small salary; the little things in which economy may be practiced. This is a page for small paragraphs.

SEVENTH PAGE—"Better Ways for the Small Storekeeper" clipped from the various business publications; and we will use this page also for instructive talks on banking for the young business man.

EIGHTH PAGE—Anecdotes, jokes and pithy sayings of interest to men and women.

General Suggestions

IN GENERAL—All through the paper of course there will be little spaces to be filled in. In these we will put paragraphs about the bank and its work; items of news about the world of money, improvements, visitors and what we have to offer to the money saver.

On every page there should be at least one illustration. From time to time we will run articles by prominent lawyers on business law, such as leases and borrowing money from loan sharks. Business men will write about the kind of an employee they can't get along without. A local advertising man will write about advertising for the small retailer. A prominent woman will write about the *business* of housekeeping.

We will have reprints from other papers of articles on savings and the business situation.

It happens, too, that we must get all this done for us, so we go to the town newspapers and pick out the newspaper man whom we think promises best, lay before him our plan and dummy and tell him to get the articles.

Probably he may write most of them himself, but he gets ideas by dint of questioning.

How to Get Suitable Material, and Points

We have subscribed to a press clipping bureau for the bank advertising ideas we can get, and we soon have clippings from all over the country on every topic we want to touch.

We find the services of our newspaper friend cost us about $5 or $10, generally the former price.

Our clippings cost us a dollar or so.

Our printer is instructed to set the paper up in "Caslon Old Style," with running heads.

We have a good printer, who catches the idea of making it look like a publication instead of a circular.

When it comes from the press we have a house organ that is at once attractive and interesting, and it is our own, from cover to cover.

There is, however, another class of house organ to which more than a thousand small as well as large banks owe their advertising success. It is the co-operative house organ. There are several kinds, and there is one good kind.

The co-operative organ that is filled with glittering generalities and gives you a small space on the back page for a display advertisement is cheap and weak, and has little benefit to impart.

Successful Co-Operative Papers

The publisher of the most successful co-operative house organ recently took me through his plant and showed me the method he has of handling the paper for nearly a thousand different customers.

In the first place, his editorial staff costs him nearly $5,000 a year, and he pays for stories and articles about $2,500 a year more. His publications are just as carefully edited as a big monthly would be. Trained men bring all their brains and ability to bear on the subject of advertising and getting results.

Each paper consists of eight pages, printed on good stock and well displayed, character of the recipient considered.

BANK NEWS

The Girl Who Would

T

FIGURE 1

2 Care For The Dollars You Earn Now and Later They Will Care For You

"—a little bit of real lace

been in a different box. But I wanted to know just for once how it felt to own a waist trimmed in real val.—and then it was such fun to take the starch out of that clerk—she hadn't any idea that poor little me would buy the real you know." Marta sat down weakly.

"And you paid twelve dollars just to know how it felt to own a little bit of real lace—and to surprise a clerk. Jane Wilson! What are you going to do about your board bill?" Jane shrugged her plump shoulders.

"Oh, I'll stand Mrs. Raymond off for a week."

"It isn't because I don't want you to have the pretty things you like, dearest, you know I do. But it seems, Jane, as if we don't dare to be needlessly extravagant when we have so little. We must save—think if one of us should get sick."

Jane shook herself free and swabbed her eyes vigorously with a towel.

"Well, and what if we did—what good would the few dollars we could save by scrimping and pinching do us?"

"But if you save systematically it gets to be more than a few dollars pretty quick, dear. I have been wanting to tell you about my bank account for a long time, but you will never listen to talk about saving—I started it the very first week we went to work a year ago and—."

"Oh don't talk to me about saving money," broke in Jane, impatiently. "What's the good of a girl living at all if she has to do without every blessed little thing she wants for the sake of saving a little money."

Two weeks later, John Meriwether called Marta into his office.

"I want to congratulate you," he said. "Mr. Dodds has written in that you are to become his private stenographer as soon as he comes back. He has been so much pleased with your work and you are to get eighteen dollars a week. I am sure that I shall miss you even though I am glad that you have obtained the promotion."

Jane became quite impatient with Marta because after her promotion and consequent raise in salary she did not buy more and prettier clothes. "I think you ought to have a real dress-up dress. I think it is your duty really." She spoke with a complacent air of duty done.

Marta's eyes were a little wistful as she fell from her sister's rose-flowered dimity set to the covers of her own turned out and patched trousseau. "I know, Jane, and I wish I could. But I just can't afford it."

The next morning Jane and Marta hurrying through the hot August morning to their work, read breathlessly a letter from the stalwart old lawyer who had been their father's closest friend back in the little Indiana town where they had been born and bred.

"My Dear Girls: I am glad that at last I've got an opportunity to do something for your father's daughters—one of them at least. I have just received a letter from John Wilkinson who went to South America years ago and is just now beginning to reap a fortune in the lumber forests. He asked me to find him a bright American girl for his private secretary. She must look after his correspondence, take charge of his personal accounts and be able to fill the position of confidential clerk. He will pay the right girl fifty dollars a week and he leaves it to me to pick out the right one. She will have to know stenography, book keeping and Spanish—and as he realizes that the last is a thing few American girls know, he will wait five or six months for his secretary. Now, I know that either one of you girls is smart enough to satisfy John—and the job belongs to one of you. It's the chance of a lifetime, I think. Fight it out between yourselves as to which one will take it and let me know as soon as possible what arrangement you will make. The wife sends her love."

"Yours cordially—Joseph Dartorth" finished

"A fifty dollars-a-week job"

FIGURE 2

Jane breathlessly. "Just think of it, Marta, fifty dollars-a-week job, and we can't either one of us take it because we can't afford to give up our position and study. We'd have to get our lessons for nothing and live on air if we did. Here's the chance we talked about—and what good does it do us?"

"You couldn't possibly take it, could you, Janie?"

"Do it? I could fly easier," answered Jane banging open the office door with unnecessary vigor. "No, we'll just have to write to old Mr. Danforth and tell him it's no use—we can't afford to take a fifty-dollar position."

Through the morning Marta seemed even more than ordinarily absorbed in her work, and at noon, to Jane's disgust, she disappeared to come hurrying back through the hot sunshine her cheeks scarlet, her eyes shining.

"Where'd you lunch?" queried Jane crossly. She hated to eat alone and her meal had been uninteresting as well as unappetizing.

"Lunch—oh I forgot to lunch," laughed Marta. She slid into her chair and began to rattle her typewriter keys with all the air of vigilant attention to duty that left no opportunity for further conversation.

Jane sniffed. There was mystery in the air and she hated mystery. In their first moment alone as they dressed for the fete that evening in their stuffy little room she tackled the subject.

"Something's doing, Marta. Out with it—I loathe secrets."

Marta's hairbrush faltered a moment. "Janie, dear, don't think I'm selfish—but I'm going to give up my position this week and go to South America the first of the year." Jane sank down on the little white bed.

"You are going to give up your position, Marta Wilson, you're crazy. How are you going to live? The few dollars you've got put away won't pay for your Spanish lessons let alone buying your bread and butter for six months."

For answer Marta walked across the room and unlocked her desk. She drew forth a little tan covered bank book and held it out silently to her sister.

A few seconds later Jane looked up from an intent survey of the figures.

"Marta, that's more than two hundred and twenty-five dollars in just a little over a year. How did you do it?"

"I saved." Marta's voice was earnest. "I began the very week we went to work, Janie, and put in three dollars every week, and sometimes four. It wasn't any too easy out of a ten dollar salary. And then we got our raise to twelve and I made it six a good many weeks and went on wearing the old clothes that I loathed. And the extra three that I have had since I was given my new position have gone in regularly too."

"You're a wonder, Marta. I never dreamed that you had near this much. But you can't do it even on this. Six months of boarding and study will eat up money fast, and there's your transportation and outfit."

Marta's eyes were shining. "No [illegible] enough but what isn't there is the [illegible] of it all, Janie. You see I figured out that I would need about a hundred more and there wasn't any way to earn but one. So [illegible] I took my courage in both hands and [illegible] that way to the president of the bank."

"A bank president," gasped Jane faintly.

"Yes, a bank president. I don't know [illegible] I had the courage but I was bound to get the money. And I knew that banks lend money to men on securities of various kinds—so I just asked him if my future position would be sufficient security for a loan of a hundred dollars to me."

"And he said—"

"Well, first he seemed amused [illegible] he began to get interested and [illegible] out and talked to the cashier [illegible] know me pretty well by now because I've been in at least once a week for over a year. And then, Janie, what do you think? The bank

Her sister [illegible] oudly [illegible]

president came back and said [illegible] wouldn't lend me a cent on my future position, but they would lend me any amount I asked in reason on my past record—that a girl who saved steadily as I had done could be trusted to make good any loan. And so I'm going. Don't think I'm selfish to take the chance, Janie. You can't take it and I can, and not as though I had a right to it."

"Of course, you have a right to it. Marta, because you have had the courage and the common sense to get ready for it by saving. I think it is simply splendid and I'm just too glad for words for you—but what, oh, what, am I going to do without you?"

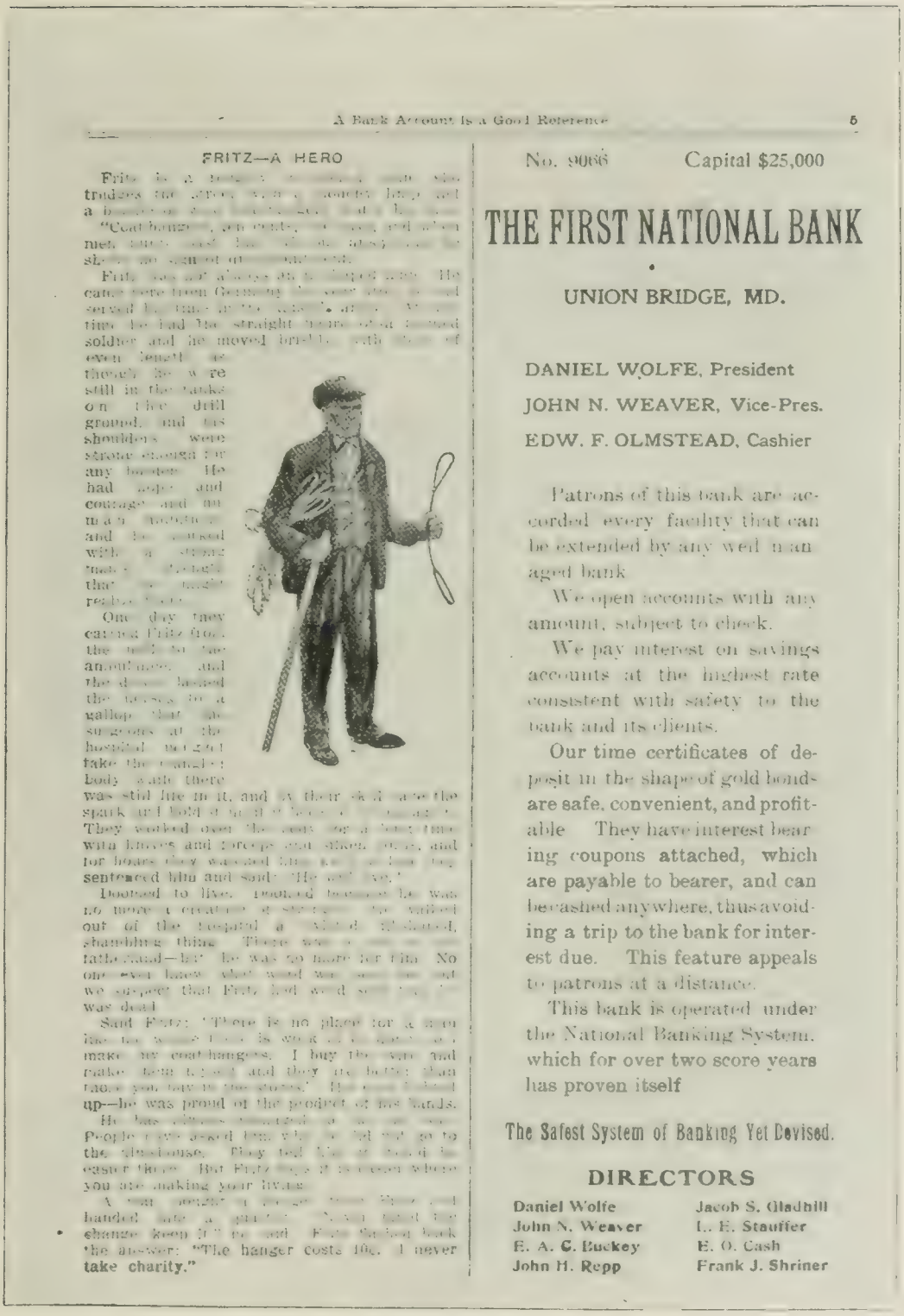
John Merriwether's [illegible] like the same thing when Jane, bubbling over with excitement, poured out the whole story to him later on their way to the garden fete. His glance swept past her rose colored taffeta and flowered hat to the soft dark [illegible] white brow of the quiet sister beyond.

"Did you want to go?" he asked abruptly.

"Oh, yes—it's a wonderful chance. I have [illegible]

FIGURE 3

FIGURE 4



A Bank Account Is a Good Reference 5

FRITZ—A HERO

Fritz is a [illegible] trudges the [illegible] a [illegible]

"Coat-hangers, [illegible] men [illegible] sh[illegible]

Fritz [illegible] He came here from Germany [illegible] served [illegible] time he had the straight [illegible] soldier and he moved briskly [illegible] of even length [illegible] though he were still in the ranks on the drill ground, and his shoulders were strong enough for any burden. He had hope and courage and [illegible] and he [illegible] with a [illegible] that [illegible] realize [illegible]

One day they carried Fritz from the [illegible] to the ambulance, and the [illegible] lashed the [illegible] to a gallop [illegible] surgeons at the hospital [illegible] take the [illegible] body [illegible] there was still life in it, and [illegible] the spark and hold [illegible] They worked over the [illegible] with knives and forceps and [illegible] and for hours they [illegible] sentenced him and said: "He [illegible]"

Doomed to live. Doomed [illegible] he was no more a creature [illegible] shambling thing. There [illegible] fatherland—but he was no more for him. No one ever knew what [illegible] we suspect that Fritz had [illegible] was dead.

Said Fritz: "There is no place for a man like me [illegible] make my coat-hangers. I buy the [illegible] and make them [illegible] and they are better than those you buy in the stores." [illegible] up—he was proud of the product of his hands.

He has [illegible] People [illegible] to the almshouse. They [illegible] easier there. But Fritz [illegible] where you are making your living.

A [illegible] handed [illegible] change keep it," he said. Fritz [illegible] the answer: "The hanger costs 10c. I never take charity."

No. 9066 Capital $25,000

THE FIRST NATIONAL BANK

UNION BRIDGE, MD.

DANIEL WOLFE, President

JOHN N. WEAVER, Vice-Pres.

EDW. F. OLMSTEAD, Cashier

Patrons of this bank are accorded every facility that can be extended by any well managed bank.

We open accounts with any amount, subject to check.

We pay interest on savings accounts at the highest rate consistent with safety to the bank and its clients.

Our time certificates of deposit in the shape of gold bonds are safe, convenient, and profitable. They have interest bearing coupons attached, which are payable to bearer, and can be cashed anywhere, thus avoiding a trip to the bank for interest due. This feature appeals to patrons at a distance.

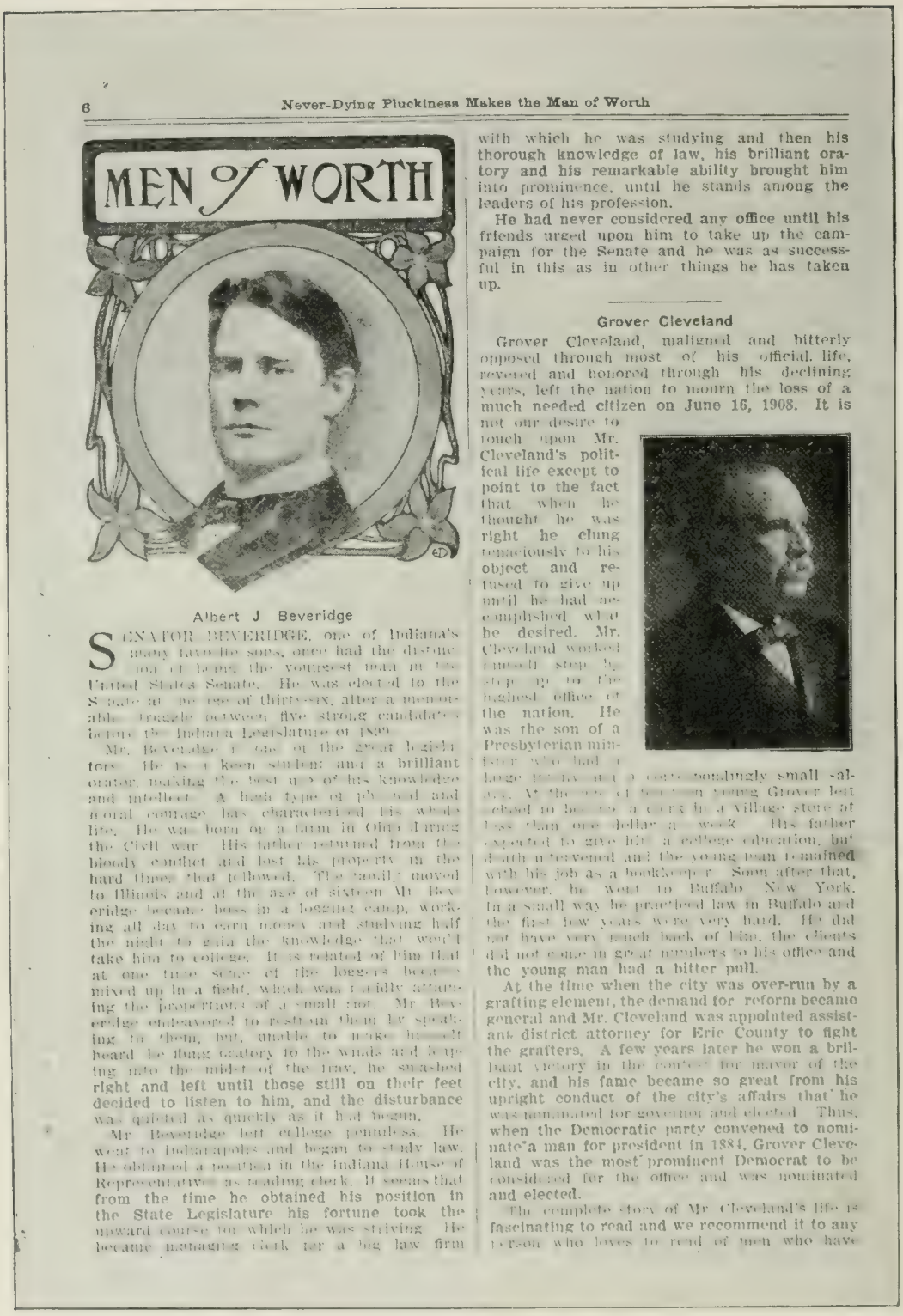
This bank is operated under the National Banking System, which for over two score years has proven itself

The Safest System of Banking Yet Devised.

DIRECTORS

Daniel Wolfe	Jacob S. Gladhill
John N. Weaver	L. E. Stauffer
E. A. C. Buckey	E. O. Cash
John H. Repp	Frank J. Shriner

FIGURE 5



6 Never-Dying Pluckiness Makes the Man of Worth

MEN of WORTH

Albert J Beveridge

SENATOR BEVERIDGE, one of Indiana's many favorite sons, once had the distinction of being the youngest man in the United States Senate. He was elected to the Senate at the age of thirty-six, after a memorable struggle between five strong candidates before the Indiana Legislature of 1899.

Mr. Beveridge is one of the great legislators. He is a keen student and a brilliant orator, making the best use of his knowledge and intellect. A high type of physical and moral courage has characterized his whole life. He was born on a farm in Ohio during the Civil war. His father returned from the bloody conflict and lost his property in the hard times that followed. The family moved to Illinois and at the age of sixteen Mr. Beveridge became boss in a logging camp, working all day to earn money and studying half the night to gain the knowledge that would take him to college. It is related of him that at one time some of the loggers became mixed up in a fight, which was rapidly attaining the proportions of a small riot. Mr. Beveridge endeavored to restrain them by speaking to them, but, unable to make himself heard he flung oratory to the winds and leaping into the midst of the fray, he smashed right and left until those still on their feet decided to listen to him, and the disturbance was quieted as quickly as it had begun.

Mr. Beveridge left college penniless. He went to Indianapolis and began to study law. He obtained a position in the Indiana House of Representatives as reading clerk. It seems that from the time he obtained his position in the State Legislature his fortune took the upward course for which he was striving. He became managing clerk for a big law firm with which he was studying and then his thorough knowledge of law, his brilliant oratory and his remarkable ability brought him into prominence, until he stands among the leaders of his profession.

He had never considered any office until his friends urged upon him to take up the campaign for the Senate and he was as successful in this as in other things he has taken up.

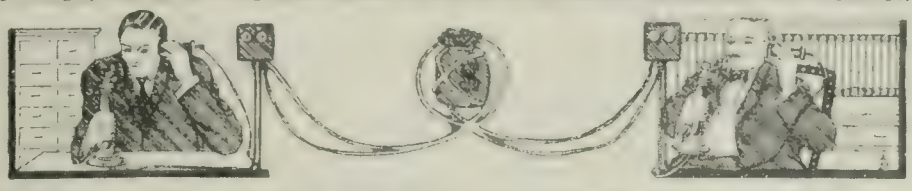
Grover Cleveland

Grover Cleveland, maligned and bitterly opposed through most of his official life, revered and honored through his declining years, left the nation to mourn the loss of a much needed citizen on June 16, 1908. It is not our desire to touch upon Mr. Cleveland's political life except to point to the fact that when he thought he was right he clung tenaciously to his object and refused to give up until he had accomplished what he desired. Mr. Cleveland worked himself step by step up to the highest office of the nation. He was the son of a Presbyterian minister who had a large family and a correspondingly small salary. At the age of fourteen young Grover left school to become a clerk in a village store at less than one dollar a week. His father expected to give him a college education, but death intervened and the young man remained with his job as a bookkeeper. Soon after that, however, he went to Buffalo, New York. In a small way he practiced law in Buffalo and the first few years were very hard. He did not have very much back of him, the clients did not come in great numbers to his office and the young man had a bitter pull.

At the time when the city was over-run by a grafting element, the demand for reform became general and Mr. Cleveland was appointed assistant district attorney for Erie County to fight the grafters. A few years later he won a brilliant victory in the contest for mayor of the city, and his fame became so great from his upright conduct of the city's affairs that he was nominated for governor and elected. Thus, when the Democratic party convened to nominate a man for president in 1884, Grover Cleveland was the most prominent Democrat to be considered for the office and was nominated and elected.

The complete story of Mr. Cleveland's life is fascinating to read and we recommend it to any person who loves to read of men who have

FIGURE 6



Therefore, having got your idea, start right away, and push it along.

"Ah! But suppose it is a mistaken idea, and I lose money over it," says the careful man. That, sir, is where your carefulness must come in. Learn to be careful quickly. Treat your business puzzles not as mathematical problems to be pondered over for days, but as real live things. With a little practice, you will be surprised at the rapidity with which it is possible to weigh the pros and cons of all but the very deepest questions.

Of course, you will have to take risks. Every man has to. One of the most successful men of his generation, the late Prince Bismarck held the most pronounced views on this matter. No one ever taxed the Iron Chancellor with rashness, yet he summed up the whole philosophy of his life in these words:

"With dutiful trust in God, dig in the spurs, and let Life, like a wild horse, take you flying over hedge and ditch, resolved to break your neck, and yet fearless, inasmuch as you must at some time part from all that is dear to you on earth—though not forever." One might do worse than copy Bismarck.

It is wasteful to think too long as it is to do without thinking. Compare, for instance, British and American engineering method. How is it that although British machinery is admittedly the best built in the world, the American manufacturer is steadily walking away from them?

The whole secret lies in the fact that whilst the Britisher waits to see if a new idea is successful, the Yankee takes it in hand the moment he thinks there is anything in it, and is not afraid to discard it as soon as the next improvement turns up.

The one waits—and gets left.

The other doesn't!

The Bank of England never pays out the same note twice. A note once in circulation and returned to the bank is destroyed. This keeps the paper currency of the country always clean and crisp, and is an example that might well be followed by Uncle Sam.

BOYS WHO ARE WANTED

A man recently advertised in the New Bedford Standard for a boy who "does not smoke cigarettes or drink, who goes to bed nights, and is willing and able to get up in the morning." It reminded the editor of a conversation he had heard on the street.

Said one prosperous man to another, "Do you know a good man to go on a delivery wagon?"

"I don't know a good man," was the reply. "So and so wants a job."

"What is he worth?"

"Oh, maybe five or six dollars a week."

"Don't want him. I can get plenty of that sort."

To be sure he can. They are mostly in the classes which the advertiser would not have. They have some wasteful, demoralizing habit which unfits them for putting their best into their work. They may be willing to go to bed when it comes night, but they are reluctant to get up in the morning. They are especially reluctant to get up for any work which does not exactly suit their fancies, and when they do go about their work, they do it in a half-hearted way, with no enthusiasm, except for the time to stop. They earn what they are worth—but the employer who wants good work cannot afford to hire them even at that.

There is another type of boy, however, who does not have to waste time studying advertisements. Employers who are not waiting to pay him for his time to pay a good price for good work—need not hunt to get him. He is up, bright and alert, looking out to do best the job he is put to. He gets a good job, and goes from that into a better, and by and by he and his kind hold all the good jobs.

"For Financial Purposes"

Just before the collection was taken up one Sunday morning a new clergyman announced that he regretted to state that a certain brother had forgotten to lock the door of his chicken house the night before and as a result in the morning he found over most of the fowls had disappeared. "I don't want to be personal,

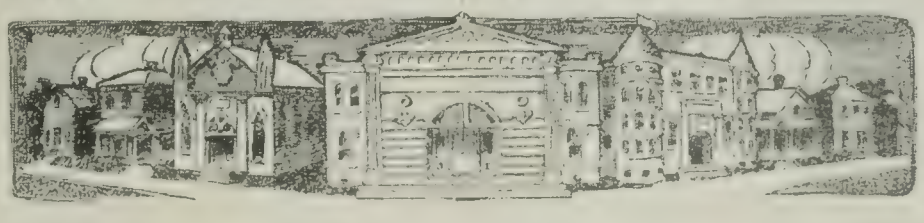


FIGURE 7

THE EXAMPLE OF HELEN KELLER

What greater example of courage and resolute strength can be given than that of Helen Keller, who, except for the use of her limbs, is entirely cut out from communication with the world? Blind, deaf and dumb, she has developed her mind so highly that she is now one of our intellectual women.

She is a young woman of 27 years, with a superior education and with fame which has reached around the world. In spite of her affliction she is happy and optimistic, and Dr Hale speaks of her as "singularly sweet, graceful, loving and lovable."

Think for a moment what she can do. First, remember that if she would speak, her lips can give forth no sound. If she would hear it must be by the sense of touch and not by the sense of hearing; and if she would see it must be with other's eyes, and remember, too, that this has been ever since infancy.

Think of yourself with a mind undeveloped taking nothing in by seeing, understanding nothing by hearing, impossible to communicate your desires by word of mouth, having no previous knowledge of the sound of words or the form of them on a person's lips. Nothing but a mind in a lump of clay, and you have Helen Keller twenty years ago.

Now we have a woman keen minded and cultured, a graduate of Radcliffe College who can play checkers or solitaire, knows Shakespear and Lewis Carroll, knows two or three languages, plays the piano, writes and makes speeches—and all of these things she does well.

Take this lesson home to yourself. Can you imagine a person more at odds with the world and in more desperate circumstances, and yet will you bemoan your own lot? Think of it! This woman has, under the circumstances, made herself superior to men and women who are in possession of all their faculties. Why cannot you do something for yourself? You can make yourself intelligent and able, but you must first obtain a peaceful mind and a certain amount of comfort for your body before you can attain higher things. Do you know how to do this? Save money.

Unfortunately, money is at the bottom of most successes. Only the greatest men the world has ever known have risen above poverty and become great without wealth. Much wealth is not necessary, but it is the security and confidence which is given you by the possession of a reserve fund in a bank which gives you the peace of mind and comfort of body to pursue your studies and learn to enjoy the pleasant things of life. If you must be eternally figuring out your expenses, and wondering where your next dollar is coming from, or what will become of you if your income is cut off, you cannot learn to enjoy life nor broaden your mind.

Put Your Pay In Your Bank Book

THE best way to save money. Keep a little out of the pay envelope for pocket money, then put the rest in this bank and pay your bills by check. Money in the bank is not easily spent for unnecessaries and remains until a time of need comes to you. Then you will be glad you have your bank account. Checks are given you free. It costs you nothing to have your money kept safe for you.

A BANK ACCOUNT MAKES A MAN INDEPENDENT AND HAPPY

THE FIRST NATIONAL BANK

UNION BRIDGE, MD.

NO. 9066 CAPITAL, $25,000.00

FIGURE 8

The Make-up and Contents

On the fourth and fifth pages there are half-page spaces left for the local bank to fill with timely articles or local advertising that would help pay the cost of the paper and its mailing.

On the eighth page there is another half page left open, where the bank generally has a display dealing with some particular item of its work.

Almost all the syndicated papers make the mistake of sugar-coating the advertising with a lot of old jokes clipped from the comic weeklies and ancient anecdotes from the lay press.

There seems to be an attempt to get as far away as possible from the business of life and banking, and to let the display advertising do all the actual work.

Experience has proved this to be poor policy. The duty of the editor of any house organ is to make the story and the advertising of his house interesting and attractive.

Syndicate advertising of any kind has too many inherent weaknesses to combat to ignore any possible element of strength.

Its Sources of Strength

The strength of the very successful syndicate referred to lies in its strict and frank adherence to the business for which any house organ is published. It is edited with the assumption that its readers are interested in banking and its closely allied subjects, and a glance at a typical list of contents of one of these syndicate papers will show how strong they are:

FIRST PAGE—"A Few Suggestions to Depositors, Present and Prospective," illustrated with form of deposit ticket and bringing out how simple it is to open a bank account.

SECOND PAGE—"Pasteboard Proclivities," by Elbert Hubbard, a bit of a talk by one of the cleverest of latter-day philosophers to the young man who would succeed.

Some Typical Arrangements by Pages

THIRD PAGE—Miscellaneous clippings on such subjects as "Just a Line or Two"—short, pithy sayings; "Western Hustle," "An Easter Suggestion," being a little sermon on the nest egg.

FOURTH PAGE—Clippings from newspapers, showing the folly of keeping money in the house; a half page of ads from the local merchants.

FIFTH PAGE—Some more local ads and clippings, embodying humor about saving or spending money.

Typical Contents

SIXTH PAGE—"Two-Minute Talks," (general heading) under which "Little Things—How Big They Are," showing how the little purchases mount up in the course of a year; a short story, "Two Dollars a Week."

SEVENTH PAGE—Stories from the daily press, "Starts with Dime: Now Rich," etc.

EIGHTH PAGE—Stories of losses by fire and a little story about a Bank of England note.

This publication must appeal strongly to the country banker and his public and to the city bank after savings deposits among the wage-earners.

The language is simple and the ideas are easily grasped. There is no lazy thinking or cloudy talk about the complex problems of finance.

Partisan questions affecting the business of the country are ignored.

The appeal is made on the ground of the every-day life of the man who has to count the pennies of the income and outgo.

It gets close to him because it offers something that he can grasp and comprehend.

The Editorial Policy

It ignores Wall Street stories of fabulous gain—it leaves the speculative questions on the other side of the fence and shows that the safe and sane way to a competency if not wealth; to contentment if not luxury, is by the old, safe, commonplace road of spending less than you make, and placing the difference where it will grow when you sleep as well as when you are awake.

In arriving at the value of the house organ a letter embodying a definite line of questions was sent to 731 banks using house organs, asking them for information that might be found interesting in a discussion of this particular phase of advertising. The following is some of the information returned:

Some Facts and Figures

Letters sent out	731
Replies received	611
Those who simply said it "paid"	573
Those who said it "did not pay"	41
Those who gave figures of growth	407
Those who could trace business to house organ in specific instances	354

Some Figures

Those who gave instances where particular stories or articles in house organs produced results 117

Average number of depositors in 731 banks.. 883

Average population of the towns and cities..4739*

There were 209 towns of 2,000 population and less.

There were 171 towns of 2,000 population and less than 6,000.

There were 109 towns of 6,000 population and less than 10,000.

There were 61 towns of 10,000 population and less than 25,000.

There were 28 towns of 25,000 population and less than 50,000.

There were 10 towns of 50,000 population and less than 100,000.

There was 1 town of over 100,000 population.

These figures will suggest some interesting information when even superficially analyzed.

It is not hard to understand why rural communities have shown the strongest endorsement, because it is in the country that most of the new banks have been opened since the authorization of $25,000 banks.

All the above banks, it must be remembered, were using other forms of advertising as well as the house organ.

Inferences from These Figures

In fact, the returns showed that but 31 per cent. of those that were most enthusiastic in their approval of the house organ tied themselves to it exclusively. There was a considerable relative expenditure for calendars and the inevitable souvenir.

There are certain phases of the editorial conduct of such a publication that must be considered.

It does not require a genius to make a very creditable house organ, and it won't require all a man's time. Pick out a clerk of ambition, or if you haven't any in your bank, interest one of the local newspaper men.

Let him listen to what people say about your little paper. Let him make a note of any little happening, get a story from real life—encourage him to write it up for your paper. Let him keep in touch with your printers, and if you are subscribing to a co-operative or syndicate paper, let him send these items or stories to occupy the space you are permitted to fill.

*Estimated from population claimed.

Your Advertising Space and How to Use It

These spaces should be made the most attractive and interesting parts of the paper. Change your advertisement every issue, keeping in mind the value of news and personality.

Just as soon as your issue for the month comes in make up a little note about it to be put in your local newspaper. Don't be afraid to say nice things about it—make the people want to see it and read it.

Once in awhile you will have a story or article in the paper that the public school teacher would be glad to read to her students, especially if you have been offering a prize for the best story, or have offered a prize to the boy or girl who proved the better in a debate on some such topic as, "Resolved: The savings bank has done more than life insurance for humanity."

Of course, there are a hundred ways in which such interest may be arcused, and many of these will appear to any man who gives it thought and keeps his mind open to advertising suggestion.

No paper will run itself. It cannot work out its own salvation. You must take an interest in it, to see that it goes out every month to your list—that you change the reading matter in your space every month.

Even as this is written the monthly and weekly press, awakening to the needs of the people and the demands of the hour, teem with articles on "Pitfalls of Speculation," "Fools and Their Money," "Your Savings."

Why?

Because the people ask for it? Hardly; but because the people need it.

It is realized that it is largely from the savings bank depositors that the fakir gets his support and reaps his wealth.

A Real Force for Good

The men who write the prospectuses and advertisements of the fake mining, oil, and other schemes are men who get handsome salaries for their ability to make the story appear truthful, make it read well and promise enough.

Leaving out the question of morals, brainy men do this work, and their advertising brings handsome returns.

What are you going to do about it? What are you doing?

Meet pen with pen, face the issue in your own little paper, teach sound principles, *scare* them into being careful.

You owe the ignorant, credulous element of the public a duty—to protect its money from the safe-blower, the yeggman and the hold-up man, and you cheerfully fulfill that duty.

Do You Go Far Enough?

You go so far to the best of your ability, yet you do not go far enough.

You do not protect your public from the far more insidious thief and bunco man, who paints impossible returns for the man with a dollar, and steals it out of your keeping for his own purposes.

The banks of this country are spending thousands of dollars a month to get money into their savings departments, yet they are spending but a very little to keep it there. Every banker who has passed his adolescence far enough to be a safe custodian of other people's wealth, knows what a dollar can do, he knows what these fake mining propositions are, and he knows he can gain confidence no more quickly than by protecting his people against bad investments.

Yet, through false modesty or worse, a stiff-necked pride or a wobbly conviction, he refuses to interfere with what he considers "the other man's business."

Nearly twenty-five per cent of the banks which had house organs published advertisements from local merchants, which small income helped to defray the expense.

Candidly Consider Outside Advertising

There is another side to this matter of outside advertising which should be very carefully weighed; i. e., the good that these advertisements from merchants and depositors can do the bank. In looking over the papers any advertising man will be forced to notice the weakness of such advertising. The copy is generally very poor, the space small and the whole thing breathes the presence of the "complimentary card" from the man who has been held up for a contribution.

That is wrong.

No man should be asked to give you an advertisement for your publication unless it promises to pay him. It never pays a bank to ask something for nothing.

It never pays a banker to put himself under obligation to his customers for a few paltry dollars.

If your local dealers want to use your publication, if they get returns from it, well and good, sell it to them, but do not ask for it, or expect it.

It doesn't pay to do it.

Probably this phase of the subject doesn't affect the little advertiser approached by the bank house organ, in a small town so much as it does the advertiser who is approached by the publisher of the "official organ" of the larger bank in the large cities.

Do Not Obligate Yourself

In many cases the importunities and canvassing has become burdensome, approaching, in cases I know of, the level of genteel blackmail.

The people who sell banks their supplies and equipment are doing business on a competitive margin. The bank has placed its orders on the price basis.

Why it should expect, therefore, that the men who sell it goods should support its advertising, is difficult to understand.

These publications, it is fair to presume, have a circulation commensurate with their influence.

On the other hand, however, the rate is generally two to three times the rate charged per thousand for any other publication covering the same field, and the editing, management and publishing of the organ are all conducted on the basis of advertising the bank; or, if it is not that, so poorly done from a financial and commercial standpoint as to merit but little financial support from the business world.

There is a very distinct field of usefulness for the bank house organ.

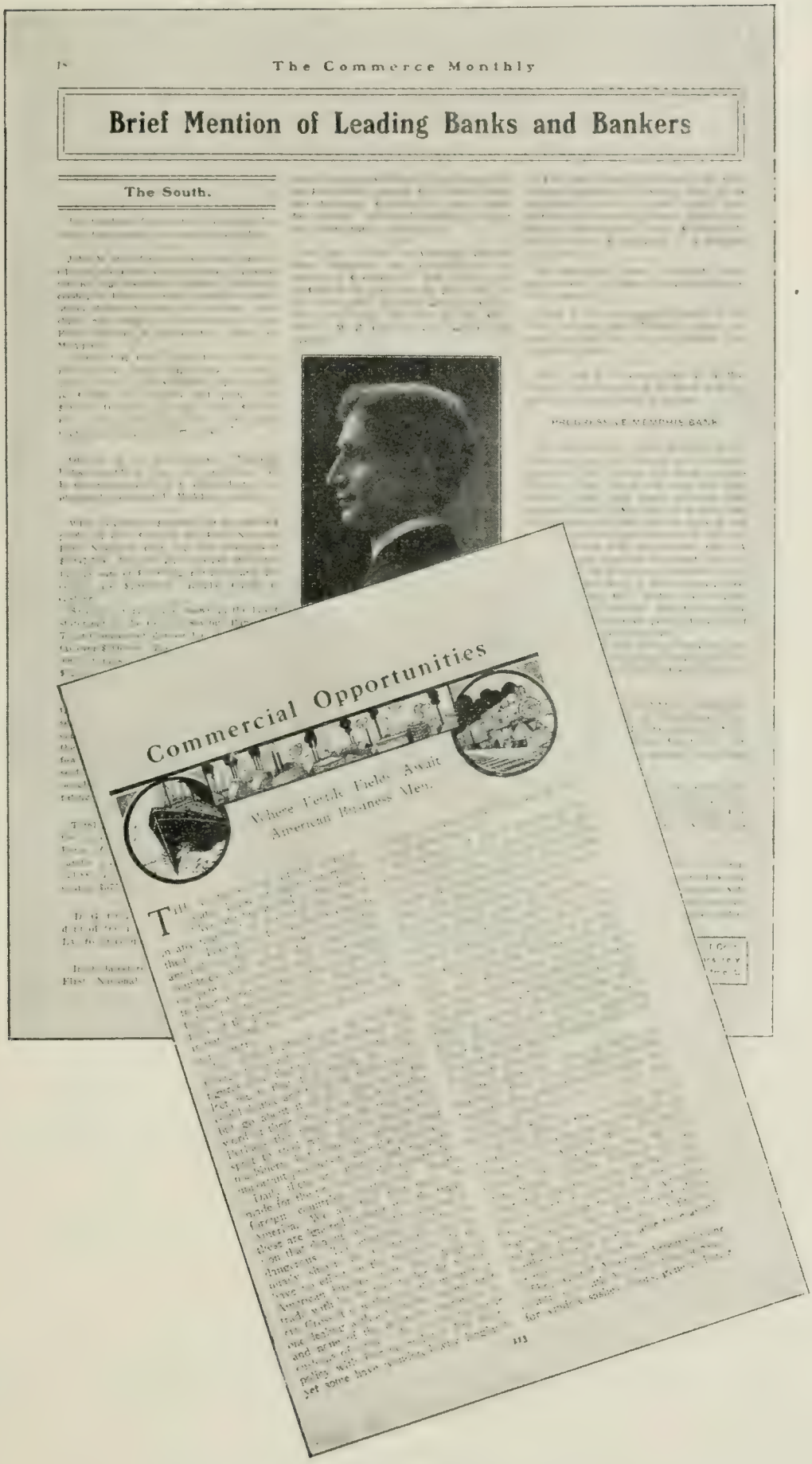
It belongs in that field and it has neither right nor influence outside of it.

The backbone of the circulation of any bank's house organ must be the bank's depositors; after them its immediate community, and then where any business may be.

Where It Has the Most Influence

As long as the house organ is a local publication, an expression of the voice and thought of the banker on topics that are of moment to his own people, the advertising is effective and the expenditure has some hope of profit. So long as the circulation can be confined to those whom the banker knows he wants to reach, and whose commercial needs he can care for when the advertising has done its best, the money paid for putting it into the hands of the possible customer has some chance of getting back to the bank.

But it doesn't pay the local banker to cast his bread too far out on the waters, because there are too many shores where competition lies waiting, and the tides and winds are fickle.



The Commerce Monthly

Brief Mention of Leading Banks and Bankers

The South.

Commercial Opportunities

Where Fertile Fields Await American Business Men.

FIGURE 9

In a large way the outline of a publication for a large city bank can be arranged to accomplish two distinctly different things:

(a) To get at the business man and the wage-earner locally.

(b) To interest the small banker in the country, whose balances are always very comfortable things to have about the place.

The first house organ outlined was calculated to appeal to the bank having small business men and wage-earners in its territory.

Get Away from "Business"

Men do not want business, business, business, incessantly and insistently hurled at them. They want a diversion—they want talks about life and its interesting, humorous, entertaining side. The house organ gives this opportunity, because the advertiser has room to spread, to do talking in a way that permits of a friendly feeling being aroused at one sitting.

I have always believed that the bank house organ should be largely personal in its character; i. e., that it should talk about people, the losses, successes and failures of people.

As the house organ can be distributed to those whom you select, you can write with a definite public constantly in your mind.

The editor of one of these publications told me recently that he always prepared copy for the house organ to be distributed to the factory hands and mill workers on the lines of scare 'em. The stories have to be melodramatic and the literary colors laid on with a wide brush.

You must show such people, ignorant, childish, unlettered and unthinking, careless of the morrow, that the world is not all beer and skittles. You must gather stories of burglaries and night maurauders for those who hide their savings in the old jug or the parlor stove. You must show the poorhouse to the improvident, the careless and the indifferent.

Force it home—they will stand it and that is your only hope of gaining their attention.

The Kind of Thing that Appeals

A glance at the most successful of such publications will show how these papers have succeeded. It has not been to the most cultured or enlightened or educated that these little papers have appealed, but to the small wage-earner in the factory district of a city, and to the country man whose town was too small to own a daily or perhaps a weekly paper.

On other pages I show several pages taken from the most successful co-operative bank paper published—Figures 1 to 8 inclusive.

I show in addition a sample of pages taken from "The Commerce Monthly," a publication of the Bank of Commerce, St. Louis, Mo.; also the "Van Norden Magazine," which originally started as a publication by the Van Norden Trust Company, New York,—Figure 9.

How "House Organs" Have Grown Into Big Publications

These latter publications are typical of that class of house organs which are intended to procure business from country bankers and large commercial houses. They have little or no power to attract the savings depositor, but are useful as a means of communication between the banker and his world of dollars. Originally these two publications were started by the employees of the respective institutions, and have grown until they became full-fledged magazines, of wider editorial horizon and aims than the service of the interests of the employees of the bank. It is probable, however, that neither of these publications represents what will soon be recognized as an entirely new character of monthly business journalism.

The new business publication will be a review of business reviews, embodying within its covers a complete digest of the business thought, news and happenings of the month as seen through the eyes of trained business observers.

These business publications now sent out by banks will give place to interesting and suggestive reviews of business, reflecting new methods and the growth of the mind as well as the body of commerce.

There are yet lots of room for good publications issued by banks.

The circulation of a house organ is another matter. Of course you will have a permanent list, made up from your customers and possible customers. These latter, in a town of over twenty-five hundred, must be carefully sifted out of those who can be of little service to you. The making and handling of mailing lists will be treated later.

Circulation Pointers

There are numerous ways of circulating special editions of your house organ. If you have an issue in which there is a story about a factory man—how he built himself a home or saved money and "got ahead"—get it to your factory people.

You know when your factories pay off—see that copies go to the homes of the men the same night.

Paste a pink slip on the front page of the paper with this printed on it:

Start an Account Tomorrow

with $1

Open until 9 P. M.

Circulation Pointers

Always have a pile of the papers in a handy place in your banking rooms so any visitor can take one. Don't be afraid to put a readable sign with "TAKE ONE" on the pile.

The best place to put them is over the check desk and at the teller's window.

Put a bundle of the papers in the postoffice, in the hotel foyers and in the waiting rooms of the railway stations or depots.

When you are sending it out have it neatly wrapped, carefully addressed, and see that your entire list receives it promptly each month.

Get used to buying a thousand stamps at a time and using them.

Stock and Bond Houses

The house organ of the stock and bond house presents a different phase. The house has securities of greater or less value to sell. It has not the same apparent disinterestedness as the savings bank to commend its talk to the public. The investing public, however, wants reasons and facts and figures to feed on and to digest. (See Figure 10.)

Several reputable investment houses are publishing house organs and find them valuable. In the past, however, it has generally been the vehicle by which stocks and bonds of questionable value have been marketed. The reason is not hard to find. The house organ appeals rather to the small than to the large investor. The man with millions or thousands is swayed by who is going in, and the stories of the brokers, the gossip of the investing world and the reports of his banker, broker or personal experts.

He pays little attention to printed matter unless it has a big bank or a well known firm of brokers standing sponsor for it.

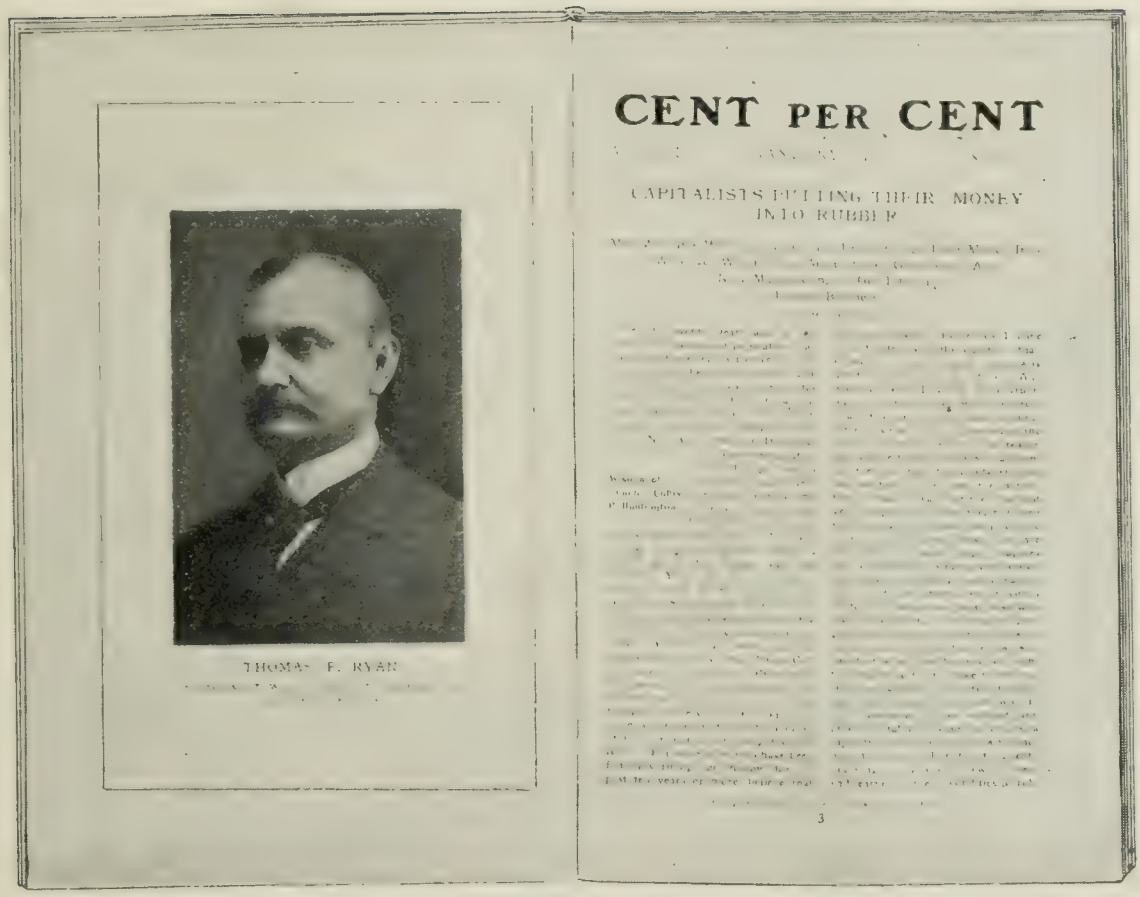

CENT PER CENT
CAPITALISTS PUTTING THEIR MONEY INTO RUBBER
THOMAS F. RYAN

FIGURE 10

The Influence of Big Houses

If the National City Bank of New York or J. Pierpont Morgan and Company, or any one of a hundred other houses of like reputation, should issue a house organ, it would be read and followed by thousands.

But these houses accomplish their work by indirection.

They have organs, however, by which they get their advice and views before the people. It is a well known fact that several New York dailies, also a weekly and a monthly, are owned by large banking interests, and of course their editorial policy is largely controlled, so far as it can affect stocks, bonds and securities generally, by the not always disinterested wishes of the owners.

Within the past four years the public to the most remote corners of the land has commenced to realize that the newspapers, without being dishonest or even hypocritical, could be fallible and blind to the real truth of things as they are.

I believe that it would pay the most conservative and successful house to come out in the open with a house organ admittedly and candidly its own. I believe it would pay the house and it would aid in allaying that suspicion of all anonymous financial news.

Open and Candid Advertising of Reputable Houses

The public wants responsibility to stand for its financial news, and the big house could gain a following and obtain an influence much beyond the possibility of present methods.

The trust company and safe deposit propositions readily lend themselves to house organ treatment, because their activity, value and character are but little understood among laymen.

The trust company with its almost limitless corporate ability to take the place of the individual as agent, trustee, administrator, etc., gives so much greater field for education and interesting treatment that it is remarkable that no company has seized on the house organ idea to completely realize the power of printers' ink.

In New York the several magazines that have been started within the past two years in the main have degenerated into mere chronicles of the business world.

The same error that has made so many smaller house organs ineffective has laid its blight on these—the vain attempt to ape the large monthlies in special features and articles that took the reader away from the primary object of the publication; i. e., to make the work, the objects

and the development of the trust company interesting, attractive and instructive.

There is room for a lot of education along the line of trust company work, and as these companies must eventually come more and more under federal jurisdiction and regulation, it is well for the public to know something about their capacities and economic value, in order that all their good may be saved to the public.

The Trust Company's Opportunity

The education of the public along the lines shown in the advertising of such concerns as the Cleveland Trust Company, the Detroit Trust Company and a score of others, is typical of efforts, not so thorough, complete and successful, perhaps, made by other companies in other cities, but it has scratched the surface of possibilities.

Finally house organs have paid the banks.

But the community looks for progress in a bank's advertising.

The same old subjects hashed over again next year will cause any house organ to lose its hold on the public. The subjects that interested last year are bald and unprofitable today.

The advertising must broaden and deepen.

You must realize that the A B C of banking has been taught and new subjects must be handled with force and precision.

New Subjects Must be Considered

As, however, a bank's clientele does not change completely in a single year, yet it is always adding new names to its mailing lists, if it is healthy and aggressive, the old subjects must always find some space but be treated in a new way.

The house organ, as no other paper, cannot afford to stay outside of the tide of daily life. It gathers its appeal and force from its touch with the realities of the every-day existence of every-day people. It should not leave entirely to the weekly and monthly press the decision of subjects such as:

Municipal Bonds as an Investment.

When Railroad Bonds Are Safe.

How I Lost My Savings.

How the Farmer Increases His Risks.

The Mining Stock Fake and Fakir.

When Buying Stocks Is Gambling.

What Is Watered Stock, and How It Is Done.

What Are Good Times.

Who Has Credit at the Bank.

The Bucket Shop and How It Works.

Hundreds of Subjects

There are hundreds of such subjects on which books could be written for the guidance and profit of the man who knows so much more about making money than keeping it.

The banker's house organ can preach safety and sanity in business.

Through it the public can be educated in good business practice and good banking methods.

It is a powerful force for the preservation of that financial equilibrium towards which all our energies strain.

It is a good thing.

CHAPTER XVI

THE PERSONAL, CIRCULAR AND FORM LETTER AND THEIR MISSION

THE CHARM OF THE PERSONALITY IN A PERSONAL LETTER—SPONTANEITY AND FLOWING DICTION—PRESIDENT HADLEY—THE WEAKNESS OF BUSINESS LETTER WRITING—THE EVILS OF SUPERFICIAL RULES—BAD TEACHING FROM SET FORMS—A LETTER MORE PERSONAL THAN AN ADVERTISEMENT—MUST BE MORE THAN A PERSONALLY ADDRESSED ADVERTISEMENT—A LETTER IS AN INTIMATE THING—ANYALYSIS OF THE PARTS OF A LETTER: OPENING OR "APPROACH", ARGUMENT AND PERSUASION—THE FIRST PERSON SINGULAR—THE GREAT GOD "BREVITY"—THE SHORT SAY-NOTHING LETTER VS THE LONG INTERESTING LETTER—THE FALLACY OF CONSIDERING BREVITY SYNONYMOUS WITH CONCISENESS—A LETTER TO A FARMER—CANT PHRASES—NOT YOURSELF BUT THE OTHER FELLOW—THE READY LETTER WRITER ATTITUDE—HOW TO MAKE IT PERSONAL—MERELY CLEVER LETTERS AND WHY THEY DO NOT GET CONFIDENCE—EXAMPLES—EARNESTNESS IS NOT ENOUGH—THE MERIT OF BOLDNESS—THE STRIVING AFTER THE GRACES OF LITERARY FINISH—HOW A TRUST COMPANY USES LETTERS IN ITS FOLLOW-UP—ANALYSIS OF THE LETTERS—THE SIDE STEPPING OF OBVIOUS QUESTIONS—COMPARISONS OF LETTERS FROM CLEVELAND, PITTSBURG AND ELSEWHERE—EXAMPLES OF LETTERS: CHECKING ACCOUNT; VALUE OF CERTIFICATE OF DEPOSIT; SAVINGS ACCOUNT; URGING WORK FOR THE BANK—HOW A CASHIER WORKED FOR HIS TOWN—A LETTER TO A FARMING COMMUNITY—GETTING DEPOSITORS—A TRUST COMPANY'S LETTER—A COMPETITION LETTER—OTHER EXAMPLES

The Charm of the Letters from Old Friends

YOU and I have certain friends who occasionally write us charming, interesting and suggestive letters that make the day brighter and its work easier.

There is that spontaneity about the sequence of their ideas and thought, that the delight of such a letter is one of the things toward which we look after we have made our contribution to the daily interchange.

Sometimes we are a bit envious of the ease with which a friend seems to write, telling us his thoughts, suggesting himself so completely that we seem to feel his presence beside us.

Such is the art of letter writing.

It is not the mere stringing together of words, nor is it grammar, nor punctuation, nor physical construction, nor yet the culture of the writer.

It is more subtle—it is a psychic attitude of mind, a magnetic sympathy of feeling, expressing themselves.

As President Hadley of Yale University, said in a public address: "One may be a graduate of a university and not be able to write a good business letter."

First National Bank

CAPITAL $25,000.00

Smithville, Ohio, Oct. 1, 1903

Mr. E. St. Elmo Lewis,
Detroit, Mich.
Dear Sir:-

Ten reasons why you should carry an account with the First National Bank.

1 BECAUSE, your money is safer in the Bank than anywhere else.

2 BECAUSE, a bank-account teaches, helps and encourages you to save, so as to increase your balance.

3 BECAUSE, paying bills by check is the simplest and most convenient method, as well as the safest, as your check becomes a receipt for the debt it pays.

4 BECAUSE, a check book is much more convenient to carry than a wallet filled with legal tender or loose change, and if your check book is lost, the Bank will furnish you another free of charge; when you lose your wallet, the story is different.

5 BECAUSE, it gives you a better standing in the community, especially among the business men, to pay by check rather than in cash; to be known as "having money in the Bank", strengthens one's credit.

6 BECAUSE, your returned, cancelled checks, with properly kept stubs, and the pass-book furnished by the Bank, make a very complete and clear record of business transacted, and is kept with less work than any other record could be.

7 BECAUSE, by having a Bank account and issuing checks and making deposits, you are, unaware to yourself, gradually building up the most valuable asset a man can have, namely; a good credit at home, and through our recommendation this credit will be extended to others away from home, with whom you might seek for accommodations.

8 BECAUSE, by having an account with the Bank, the Bank knows you and when you have a check or draft on an out-of-town Bank to cash, it will be readily done for you, and also (on acconnt of being a customer), free of any charges.

9 BECAUSE, if you should travel or move away from this community, you can obtain from us a favorable introduction, and thus carry your good credit with you wherever you may go.

10 BECAUSE, some day you might need to borrow; the customer receives not only the accommodation, but the preference of rates and amount, while the non-customer, may in times of stringency, meet with refusal.

Now look at the subject from as many sides and as long as you will, the opening of a Bank account is desirable and advantageous, and we tender you our services and facilities.

Very truly yours,

FIRST NATIONAL BANK.

FIGURE 1

While there must be a limitation on the degree of intimacy and the range of subject of business letters, from which personal letters do not suffer, such as personal acquaintanceship or friendship between the writers with the consequent intimate knowledge of the interests and points of view, yet there may be a personal element injected into the business letters, even when addressed to a stranger, that will neither be offensive nor repellent.

The Impotence of the "Ready Letter Writer"

Business letter writing has received some perfunctory attention at the hands of commercial teachers, who are teaching the same forms today that were used a generation ago in "Hill's Ready Letter Writer." A book published so late as 1904 has this sentence in the first chapter where the knowledge of how to write a good letter is listed: "* * * in addition a familiarity with those *orderly forms* and *established expressions* which are peculiarly apt and serviceable in letter writing."*

As our young men and women are taught such principles in the schools, we shall have to teach them differently when they come into business houses.

It is not necessary to point out to you the great increase of business letter writing. The growth of postal facilities, rural free delivery, the tremendous widening of the field of business into distant sections, mean that the letter writer has become one of the most important employees of our great business houses.

A letter is more than the most personal of advertisements, because it is addressed to some one person—not the public.

It is more intimate toward the person addressed, and can more familiarly reflect the person who writes it.

A letter is not simply an advertisement set up in typewriter type, with a name and address filled in at the top and signed with another name in facsimile. That does not make it a letter any more than a sign on the window makes a pawn broker's shop a bank. An instance of such treatment is shown in Figure 1, taken from an actual letter.

All Advertising Principles Apply to Letter Writing

All that I have said about attraction, interest and persuasion, and of personality in advertising, applies with increased force to the writing of business letters.

*Italics are mine.

You Must Have Them

In the printed advertisement these qualities increase the possible pulling power. In a letter they must be present in order that the letter may get a hearing at all.

If advertising can be called salesmanship in print, which I think most aptly describes it, then a letter is salesmanship on paper, and stands midway between personal solicitation and the advertising by means of publications or booklets.

It is because the financial field offers peculiar problems in salesmanship; because financial advertising has nothing but character, prestige, credit and faith—intangible and elusive attributes—that I dwell so much upon personality as one of the qualities that will give it substance and a name.

I shall leave out of specific consideration all that mass of letter writing which is a part of the daily routine of the business of conducting a bank or trust company.

Some Good Rules for the Letter Writer

Some good rules will, however, be found in the following, to apply to dictated correspondence.

I must concentrate on the advertising letters, business-getting letters, addressed to the possible customer.

In the main these are letters that are sent out in quantities, but the suggestions may be applied to form letters sent to special, individual cases quite as well.

Writing a letter that shall reflect the salesman and his commodity, that shall persuade to action, is an art that the greatest of us need not scorn to study.

Think a moment how the smallest financial unit of our business system must write letters each day that, in the minds of correspondents whom he has never met, must stand for him and forever be responsible for the credit and place he holds in the minds and thoughts of that other man.

A letter is such an intimate thing!

Just Think

As it lies there on your desk, with your name and address on it, unopened, sealed, freighted with matters that you may not guess, it is yours and only yours, surrounded by all the sanctity of personal property as much as your watch or your hat, and insured to your confidential eye by all the power of a great government.

It is a message to *you* from some other *person.*

A Letter by Its Character is Personal

You open it and the first sentence betrays that it has been ground out by some human machine who "takes pleasure in informing you that our fall catalog offers, etc."

You feel repelled, a trifle bored, and indifferently you drop it into the yawning waste-basket and pass on—for that letter speaks, not to you any more than to a thousand others, with whom you are not overpleased to be classed.

That is the way your machine "ready writer" letters are treated by those who receive them.

But there are good letters made and by the thousand, too.

This fact brings us to the first essential of a good letter: The approach, as a salesman call it, or the opening sentence.

Right here most circular letters fail and get their start on their way to the waste-basket.

The Importance of Starting Right

Did you ever try to sell anything? If you did, you know how important it is to get a right start.

If you could get the customer's interest in the first two sentences, you then had a chance to get an order.

The approach solves half of the battle in the selling of goods—the vestibule gives you the first impression of a house—the handshake of the new acquaintance gives the first impression of his personality—the opening paragraph wins or loses the interest that makes the man go farther.

The letter writer knows the value of suggesting pleasant things. He doesn't want to make his letter gloomy with dire forebodings, but is always cheerful.

Did you ever know a successful grouch?

I never knew but one, and he had his money given to him by his grandfather, and turned grouch because he hadn't brains enough to keep it in any other way.

Sit Up!

When the possible customer opens a letter from you, you must make him sit up and take notice, and then you must tell him what it is all about.

Give him, then, in a brief paragraph, one good, sound, sensible argument from his individual point of view—as a factory employee, for

instance—why he should save money in your bank, buy a bond or invest in a home.

Persuade Him to Answer It

Finally, as you have reached the end of your letter, you tactfully, skillfully and suggestively persuade him to answer it, and here is where your personality comes in, and the "I" in you gets a chance to speak to the "I" in your prospect.

These four things have to be carefully trained together, as any one given too much scope is likely to injure the letter's chances. I do not mean that each should be confined to a five-line paragraph, but each should be apportioned its part in making the impression that is to secure the result.

Explanation and argument will appeal to and interest the country or city banker whom you are soliciting as a correspondent, as well as the business man of large means or a trust company desiring to sell bonds.

Persuasion goes further with the men who have had little financial experience, or been concerned in large affairs.

The Physical Appearance and Other Things

Having admitted, I presume, that these *are* the four essential things of success in business letter writing, let us consider the subject from the standpoint of the physical appearance of the letter, the actual wording and phrasing, the kind of explanation, the force of the arguments used, the elements of persuasion and the application of these things to specially dictated sales letters, to circular letters and to the follow-up letters sent out in the mail-order work.

The personal correspondence of the banker is generally sacrificed in interest and quality to the American desire to "cut it short."

The desire for brevity amounts in many men to a mania if not a disease.

Brevity a Danger

During the fifteen years I have followed the calling of business-getting, I have devoted my whole time to the execution of campaigns of advertising, the reorganizing and organizing of business-getting departments; I have seen all the sins of omission and commission charged to brevity without intelligence. I have seen half-understood orders passed down in half-given directions to half-instructed clerks, who did the work one quarter right.

W. W. SANDERS, PRESIDENT W. D. SANDERS, CASHIER

THE DEKALB EXCHANGE BANK

(UNINCORPORATED)

ESTABLISHED 1887

WE OWN
THE AVERY EXCHANGE BANK
AVERY, TEXAS

DEKALB, TEXAS, July 1, 1907.

Dear Sir:-

You have been receiving our advertising matter for some time; you have probably read more or less of it, and if you have, you have noticed that we have endeavored to impress upon you the advantages to be derived from having an account with this bank

You may have thought that we were merely doing this from a selfish standpoint, to which-we plead guilty in part, and while our health is good and we are having a lot of fun in running our business and watching it grow, we must have a little more than health and fun out of it. But in all seriousness, our business is built upon too broad a foundation for us to ever think of running this bank upon a strictly selfish and profit-getting standpoint, for we have long since learned that we cannot prosper unless our people prosper; our business cannot grow unless we give our customers satisfactory service. We are all like spokes in a wheel; each necessary for the other.

From the fact that our country is as yet undeveloped and large numbers of our farmers finding it necessary to borrow money with which to buy land, improve their farms, buy live stock and in making their crops, the keynote of our advertising has been that "We Help Those Who Help Us", which simply means that in good times and in hard times, the customers of our bank will always find us able and more than willing to help them; and then we have always endeavored to do it cheerfully. As to how well we have fulfilled this motto in the past, we only request that you ask some of our customers who were with us during the crop failure of 1905.

From the present outlook, we are going to have another short crop, but we want to assure every customer that he has a friend in this bank that is both able and willing to stay with him. To those who have had accounts with us, and have had to borrow money with which to finish their crops, we want to say that when you have gathered your crops and done the best you could towards paying us, and then fall short, you will find us willing to extend the helping hand, and again ready to help you make another crop.

If we only intended to stay in business one year it would be necessary for us to close out our friends and get our money, but this bank is now resting upon a foundation of twenty years' standing, and it has been our endeavor to make it so strong that the heaviest storms could not wash it away.

While it is always a pleasure for us to see our friends prosper, yet when adversity strikes them, we are more than glad that we can be of assistance to them. You have probably heard the remark that banks prosper in hard times, because every one had to borrow. The opposite of this is true, for, during hard times, the people only borrow what is absolutely necessary in order to make a crop, while in good times, they borrow for the purpose of buying land, improving their farms and for numbers of other purposes, as evidence of which we may state that this bank now has out among the farmers and business men of this section the sum of Two Hundred Thousand Dollars. This vast sum of money is being used in this immediate section and we are all deriving benefits from it.

You will probably say that we are not helping people as we are getting interest on this money. Certainly so, but we believe that every man that is using it is making some profit out of it for himself. The farmer that borrows to make his crop saves the long credit prices at the stores and is able to take advantage of the bargains that are offered. The farmer that borrows to buy land is paying for a home instead of paying rent to the landlord. Another farmer probably has a pasture and a few cattle; we let him have money with which to buy more and fatten them for the market. Another wishes to buy a car of hogs for market, which we gladly pay for. While all of these farmers pay us a little interest, they are all making money; thus we both grow together.

Another strong feature of this bank is the fact that you only have to talk to one man, and should you wish to borrow, or the short crop make it necessary for you to ask for help, you only have to see one man, and when you talk to the writer you are talking to "headquarters" and he can give you an answer within ten seconds, as he does not have to see some one higher up or consult with a board of directors.

The record of the past is the future's best guarantee. Our friends will tell you of our past record; they need no guarantee of the future.

Very truly yours,
W. D. SANDERS, Cashier.

FIGURE 2

Our notorious lack of thoroughness, our habit of jumping at conclusions, our lack of system, is due to our impatience, our inability to take our time over things, our blind faith in the fallacious theory that brevity is the Soul of Success.

The Fallacy of the "Be Brief" Theory

I have seen three men doing one man's job, simply because we could not wait; I have heard orders given that would have puzzled a Philadelphia lawyer, and workmen guessing at *what* was meant, while events waited.

A wit once said, "A short letter is good in the eyes of most business men because they know it gives them the least chance of making fools of themselves." Which is sufficiently true to hurt.

Brief letters are generally written because the business man selects the lesser of two evils, the short poor letter rather than the long poor one, and he is right. But he is wrong when he says that there is any virtue in mere brevity.

If he uses the word concise, he changes a word and makes a difference, for he says he wants it as short and to the point as is necessary to place the idea in the customer's mind.

Thus far we shall not disagree, because in this we will let in two, three and even four-page letters, which have emphatically accomplished their purpose, much to the wonderment of those who measured a letter's quality with an inch rule.

The Famous Case of "Genesis"

The first chapters of Genesis are the shortest history of thousands of years ever written—and the differences of opinion over their import and meaning have spilled the blood of innocent millions and cost the world its bitterest wars.

"Make it short so as to arouse his curiosity," says the acute, shrewd advertiser, and he might as well say: "Send him an empty envelope with your name stamped on the upper left-hand corner, and he'll be sure to write for the contents; then you've got him!"

Wouldn't that be a fine scheme?

Long letters are long only by comparison.

Taking a single letter sheet page (8x11 inches) to be the unit, and limit of the short letter, we may consider a page and a half letter as rather long, and a two page letter as long.

PEOPLES SAVINGS BANK

807 BEECH STREET

CARRINGTON, OHIO, Oct. 30, 1908

E. S. Lewis,

Detroit, Mich.

Dear Sir:-

Sometime ago you wrote to us regarding opening a savings account with us and we write again to ask you to give the matter attention.

The demand for money in Carrington is very great because of the great growth in population and steady increase in building and manufacture. As a consequence we are enabled to handle money to the very best advantage.

We pay four per cent on all accounts left with us on certificate three months or longer and this is compounded semi-annually if put in the form of a savings account.

Hoping to hear from you soon, we are,

PEOPLES SAVINGS BANK.

FIGURE 3

A letter expert* once said: "Write a long letter to a farmer, a woman, a customer who has asked a question, a customer who is angry and needs soothing, a man who is interested and has said so."

He said, also, that you should write a short letter to a busy business man, an indifferent man on whom you wished to make a sharp impression, a man who has forgotten something.

These are good rules for the poor letter writer.

Isn't a letter a good deal like the married man whose life seemed longer? Some letters just seem longer than others.

Analysis of a Successful Letter

There is a knack in writing a long letter.

In Figure 2, for instance, is a long letter,† addressed to farmers, stockmen and planters.

Read it carefully, and please make note of the directness and force of the talk.

It requires no great experience to imagine the type of man to whom this letters appeals, receiving and reading it carefully and thoroughly, for the man of smaller affairs is flattered by receiving a letter from a banker.

There isn't much talk in this letter about the size of the bank and the eminent respectability of its board of directors. It is just a homely, easy talk, in a face-to-face sort of a way that brought business. These letters, of which this is one, were successful, and the question of length never gave the writer of them very much concern.

Comparisons of Two Letters

Contrast this letter with Figure 3.

Can we imagine any one being interested in that letter?

Would it appeal to any of your family?

Frankly, it would run little chance in competition with a letter written by the same man who wrote the letter in Figure 2.

The main purpose of a personal letter is to express a personal thought, idea or purpose, to some other person. That this is true is borne out in the way we ask, "Who wrote this letter?" "What name is signed to it?"

*Sherwin Cody.

†W. D. Saunders, Cashier DeKalb (Texas) Exchange Bank.

CABLE ADDRESS CABATES

TELEPHONE 5190 MADISON

THE KNICKERBOCKER SYNDICATE

ADVISORY BOARD
MAX J. L. TOWLER, M. E.
C. F. BRACKETT, E. E.
AMOS P. BROWN, E. M.
JOHN H. WATT
ABEL G. GOLDTHWAIT, M. E.
CHARLES AUSTIN BATES
J. E. PATTERSON
ALEXANDER J. MITCHELL, C. E. E. M.

320 FIFTH AVENUE,
CORNER 32ND STREET.

NEW YORK November twenty-second, M C M W I.

nsider that I come to you
anager of American Bridge Co.
Wire Fence Co. Adrian, Mich.
tion these two gentlemen cut
I could give you, because
refer to them and because
them.

good, and no investment
estion about the profits--
the safety of the invest-
sider the facts.

on a property that is
ry - 86 miles west of
, Ohio - 80 miles south of
roposition, or if I were
ly true, I would have to
ch a locality.

s the property of the
coal at ninety cents per
l has not been as low as
the present time, we are

sertions about the
ns. There is no middle
e that coal in the
iars and frauds.

ld - the geological
ts are free from faults

erty, but one which is
l per week.

TELEPHONE 5190 MADISON

CABLE ADDRESS CABATES

The Knickerbocker Syndicate

CHARLES AUSTIN BATES PRESIDENT

320 FIFTH AVENUE,
CORNER 32ND STREET

ADVISORY BOARD
MAX J. L. TOWLER, M. E.
C. F. BRACKETT, E. E.
AMOS P. BROWN, E. M.
JOHN H. WATT
ABEL G. GOLDTHWAIT, M. E.
J. E. PATTERSON
BENJAMIN DOUGLAS, C. E.
ALEXANDER J. MITCHELL, C. E. E.

NEW YORK November 22nd, MCMVI.

Mr. J. C. Smith,
Detroit, Mich.

Dear Sir:-

Will you do me a favor?

Did you ever have a business transaction that didn't seem to move just as fast as you wanted it to?

And you couldn't tell just why?

And you wondered - and wondered - and wondered?

That's my fix now.

Will you help me?

Will you read and ANSWER the enclosed long letter?

I'm sending you a stamped envelope for your convenience and simply to show that I shall appreciate your reply, I enclose a coupon good for a copy of my book "CHEER UP".

Yours truly,
Charles Austin Bates
President,
THE KNICKERBOCKER SYNDICATE.

CAB/J
Enclosure.

FIGURE 4

The Chief Defect

The chief defect that makes all letters too long is cant, outworn phrases, such as:

"We beg to call your attention."

"We take great pleasure."

"Our bank offers 'exceptional facilities.' "

"We wish to inform you."

"We shall be pleased to have your name on our list of depositors," etc., etc.

Not a single ray of intelligence in the list.

"We"—"We"—"We"—all "We," and not a word about the man or woman to whom you are writing, once said a man.

That man to whom you are writing doesn't care anything about you; he wants to know where, when, why and what *he* has to do with you.

You are not going to wake him up with talk about yourself. He knows you want business, but *why* should he give it to you?

Cant and Phonographic Phrases

Such phrases are phonographic, perfunctory, and are the more tiresome the more elaborate they are.

In the letters reproduced in Figure 4 we have something different, a device by which a three-page letter is brought to your attention and made effective, through the means of a shorter and more personal appeal. Look at the short letter, which was enclosed with the longer one. Note the open, paragraphic, snappy style of writing the short letter, and the great difference in the way the circular letter was handled.

The second thing is, you do not see any of the conventional, cant phrases of the ready letter writer.

There is generally too little attention paid to the ending of a letter. We may read a hundred times a day:

"Hoping to hear from you soon, we remain," etc.

"Trusting that we may have your deposit by return mail," etc.

"Assuring you of our appreciation of your courtesy," etc.

"Soliciting your further consideration," etc.

Just Consider These Candidly

Look at these dispassionately and try, if you can, to see one single, solitary gleam of human interest in these phrases.

Be polite, but do not bow and scrape like an automaton—keep a stiff back and retain a bit of courteous dignity. **Don't be a Wooden Man**

For instance, in the beginning of a letter it is better to say:

"Did you ever have business dealings, Mr. Jones, with a bank where you could count on personal interest in *your* case?"

If you are writing to people of small means for savings deposits say:

"When you get that next stock proposition from the mining company, come in and let's talk it over. We have depositors who tell us experiences that may help you to make a right decision."

When the new depositor comes, write him:

"We thank you cordially, Mr. Brown, for the deposit with which you have entrusted us," etc.

If he asks about an investment, start off with:

"Yes, we have a few of the P. Y. & X. bonds in denominations of $1,000 each."

If he wants to invest in a mortgage:

"It gives me pleasure to say that I can place $5,000 of the sum you mention in yours of the 24th on a property assessed at," etc.

These beginnings promise a better ending, and are therefore more interesting. **Some Changes Explained**

The next step is to *explain* your proposition to the reader.

As you write a letter for a purpose, you must explain what that purpose is—what you have to sell. Do not assume your correspondent's interest in it, but tell him what it is.

Don't say you have the largest bank and offer the best treatment; but prove it by quoting your deposits and the number of your depositors.

Define exactly what you are offering.

Talk about one point in each letter.

Concentrate on service and tell what it is; or on safety and tell why; or on greater interest on deposits, and tell *why* you can pay 4 per cent. or 4½ per cent. on savings.

Don't talk about what you have been, but what you are.

Don't boast, but give proof of each claim by comparisons.

Meeting Your Correspondent's Imaginary Objections

Make it readable.

Then argue with your correspondent in each letter.

Meet a new objection, as though he were arguing with you.

Meet imaginary objections, such as:

"What do I want of banks?"
"Banks are not safe."
"Four per cent. is too much money for safety."
"Present bank is closer home."
"I don't know your officers."

and so on, through a hundred more. Your experience and success will show you.

You know how you would answer these objections if you had the objector in front of you. Write out the argument, let it rest a few days, and then look it over, and if it sounds as good as it read at first, use it. Have your stenographer read it to you, to see if you have made the emphasis come in the natural place.

Then comes the *persuasion,* where you get the man to do something; i. e., to sit down and write to you, or to enclose money to you, or to drop in some day and open an account with you.

Ask Mr. Jones to call in and see you, if you are the man who opens all new accounts. Make it a personal matter. Tell him you want to talk to him about it.

Read the chapter on "Personality." I can add no more to it.

You will see from the foregoing how much letters follow the line of advertising; but letters are just a lot more personal, both to the man who receives them and the man who writes them.

Letters to Interest a Class

Circular letters are written with the view of interesting a certain class of people in your bank, in a block of stock or the sale of mortgages, or to get returns by mail.

Successful circular letters are a mosaic. I have sometimes taken forty or fifty answers that have been written to inquiries received, and after careful reading have made up two or three circular letters from the

striking, strong sentences or paragraphs. In this way I got at exactly what had brought business, at what the people wanted and the way they wanted it.

You must mould and weld these sentences and paragraphs together so that you may have a perfected product.

Another thing, forget that you are talking to a crowd; talk to one man, just as the most successful speakers do. The speaker selects one man to talk to, generally the sleepiest man, or the coldest, or the most combative, and keeps him awake, or stirs him up, or fights with him, and the speaker is likely to be interesting.

In all this don't forget that *you* are writing a *letter* to a *person.*

Things that Interfere with Dictation

There are many things to interfere with the proper writing of letters. One is the difficulty some people have in forgetting the highly educated young person who listens to your dictation and writes what she can remember of what you said, and fills in the painful lapses of her memory with what she thinks you should have said.

Write what you want to say and stop.

"You lie!" is short and may mean a fight.

"I do not think that is true," sounds better and it carries the point.

Concentrate on the man before you.

Talk to him.

Talk plainly, tactfully and with emphasis.

Concentrate on your purpose.

I remember one man, the most successful letter writer I ever knew, who used to gesticulate, pound the arm of his chair, walk the floor, as he dictated.

He wouldn't have a stenographer who had to interrupt him in the middle of sentences with, "What did you say five minutes ago?" or "Wait just a moment, Mr. Jones, I'm lost," or "You are going a *little* too fast for me."

Earnestness and Enthusiasm

Sometimes his letters sounded like a Socratic dialogue, but they sounded genuine and they got business. That man was a good speaker; he could talk to business men, and he made thoughts happen, because he was profoundly in earnest. I never knew a man more in earnest. Nor was he ashamed of it. He would not have stenographers, clerks or

assistants about him whom he could not imbue with the same earnestness and conviction.

A Trick?

I have heard men who wrote a clever letter dilate on its cleverness to their friends, who looked on it as a trick of the trade.

These men were clever actors.

They succeeded, but they did not succeed because they were insincere, because they didn't believe what they said, but because they were clever actors, and could make believe that they believed.

So, although it was spurious, it was the air and tone of conviction that made them successful. These men frequently slipped—some letter gave the snap away and it failed to work.

Conviction, earnestness and sincerity are not matters of terms alone; merely an assertion backed up by assertion, will not convince.

Things that Make a Letter Convincing

When a man is sincere, he will be candid, make truthful, homely, natural comparisons; he will go into reasons with you.

He will give you credit for brains and judgment.

He wants you to know all about his proposition.

From the reader's standpoint earnestness is not a mere assurance that you want his order, but that you want it badly enough to show him exactly what you have, and that you are willing to show him *all* that you have, openly and without subterfuge.

The man who never makes a positive assertion, who always leaves a loophole, who always cunningly stops just short of saying the thing that will bind him to a fact or a statement, can never hope to convince, because he lacks sincerity.

I have in mind a large investment house whose elaborate follow-up suffered from this constant introduction of the *saving clause.*

Afraid of Contradiction

The manager always wrote his letters with a view to possible contradiction—he was afraid of his competitors—he wrote letters to his competitors and not to his customers.

That is all wrong.

The American buyer is shrewd and sharp; he always detects the saving clause, the careful letter writer, the man who has been at too great pains to state a claim to the difference of a hair in the choice of words and phrases.

PUBLIC'S SAVINGS BANK

SOMEWHERE, PA.

J. JONES, PRES'T
W. JONES, V. PRES'T
C. JONES, V. PRES'T
A. JONES, SEC'Y & TREAS

November 23rd, 1906.

Mr. A. E. Brown,
5197 Darwin Ave
Detroit, Mich.

Dear Sir:-

In compliance with the request contained in your esteemed favor of the 22nd inst., we take pleasure in enclosing herewith, booklet describing our system of "Banking by Mail" together with a copy of our latest financial statement. We desire particularly to call your attention to the strength of this institution as evidenced by the financial standing of its Board of Trustees, and its paid up Capital and Surplus of Two Million Dollars, which is larger than that of any strictly savings bank in the world.

By reason of the extensive manufacturing interests of Somewhere, all its savings banks are enabled to safely pay 4 per cent interest compounded twice a year, an increase in income of 33-1/3 per cent over money deposited in other cities at 3 per cent interest.

We enclose you, herewith, a signature card which kindly sign and return to us with your remittance. All checks and drafts should be made payable to the "Public's Savings Bank". No charge is made for the collection of checks. Trusting to be favored with your account and assuring you of courteous attention at all times, we are,

Very truly yours,

PUBLIC'S SAVINGS BANK,

A. Jones,

(Enclosures) Sec. and Treas.

FIGURE 5

Do Not Be Afraid of the Other Fellow

No man can be, no man has been at least, successful in letter writing who is afraid of what the other fellow says.

When you make a bold statement, stand by it. It is for your competitor to displace you.

You are constantly putting up the fight to him; therefore he is constantly on the defensive.

There can be no manner of doubt but that the aggressor has the weight of the odds in his favor. It is human nature to trust such a man; the world belongs to him. Compare the easy, graceful public documents of Buchanan with Lincoln's, those of McKinley with Roosevelt's those of Hayes with Cleveland's.

Despite all the grace of Blaine, the power of Clay, the suavity of Hamilton, as compared with the ruggedness of Jackson, the power and the preferences in men's minds have gone to him who dared to express himself; the influence has gone to those who talked out of their hearts rather than their heads, as Charles Broadway Rouss, the blind merchant millionaire, who made phonetic spelling one of his hobbies and wrote his advertising as he saw fit.

Follow-up Letters Links in a Chain

The follow-up letters should be a carefully welded chain of talks to the prospective customer. Each letter should be a link, complete and well made.

I shall leave the question of the number of letters that should be sent for Chapter XX "Mail Order Problems."

Let us consider an actual follow-up sent out by a trust company with a savings department. This company offers 4 per cent. interest on deposits, and for a time was somewhat conspicuous among banks and trust companies advertising in general publications.

Fourteen acquaintances, at my suggestion, in different walks of life, from clerk to business man, answered this company's advertising and each received the same follow-up.

For obvious reasons I do not give the name of the company nor its true location.

Some Actual Experience

The Public Savings Bank, as I shall call it, sent three letters with seven enclosures. In the main these letters are like all other follow-up letters of a similar intent; they dwell on purely local matters and points of difference.

Capitalization, bigness of buildings, largeness of deposits and the makeup of the board of directors.

In Figure 5, the first letter, we have an acknowledgment of the request for the booklet, "Banking by Mail."

Analysis of Examples

The second paragraph contains the argument on which we are supposed to act.

Read it. Would you open an account on that statement?

That paragraph should have been expanded. In it is the whole meat of the proposition. It was the promise of 4 per cent. that brought the inquiry.

The booklet enclosed, a rather cheaply printed one, gave no reason why the 4 per cent. could be paid. The only reassuring part of the paragraph was, that *all* the savings banks of Somewhere were paying the same percentage, which caused Mr. Brown to think, "There may be a safer one than this one. I'll see."

Again Mr. Brown couldn't quite make the statement about having "the largest capital and surplus of any savings bank in the world," fit with what he had heard of the huge Bowery Savings Bank in New York, the Society for Savings in Cleveland, and the claim looked peculiar.

Things Taken for Granted

True, there are different kinds of organizations, but he didn't know that, and could make no distinction. The second letter came ten days after, as follows:

Dear Sir:—

Referring to our letter of recent date, to which we have not as yet received a reply, we desire to give you a few additional points concerning the strength and stability of the Public's Savings Bank, and to extend to you a further invitation to become a depositor.

The Public's Savings Bank was founded in 1866 with a very modest capital. Today it has the largest capital and surplus of any savings bank in the world. Its growth has been gradual but sure, safety being always the first consideration. The bank has never missed an interest period, never failed to make good every dollar deposited with it, and has never suspended business for any cause whatever.

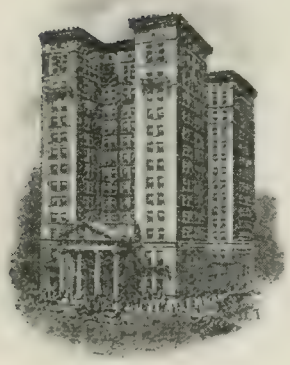
Its investments consist of first mortgages on improved real estate in and about Somewhere, and of loans on regularly listed securities, which can be realized on at any time. It employs its own expert appraisers and never makes loans of over 60 per cent. of their valuations. It does not deal in stocks, does not speculate, but in all transactions keeps well within the margin of safety.

Every dollar deposited with the Public's Savings Bank earns 4 per cent. interest compounded twice a year. This makes a more profitable investment for savings than government bonds. It involves no trouble or worry on your part and the principal is always available on proper notice. If you have money lying idle or invested in a way that is not satisfactory, or does not yield you more than 4 per cent., we would be pleased to have you take advantage of the facilities offered by this institution.

Very truly yours,

PUBLIC'S SAVINGS BANK,
A. JONES,
Secretary and Treasurer.

ASSETS OVER FORTY-TWO MILLION DOLLARS



THE CITIZENS SAVINGS AND TRUST CO.

CAPITAL AND SURPLUS, SIX MILLION DOLLARS.

J. H. WADE, CHAIRMAN
H. R. NEWCOMB, PRESIDENT
O. Z. NORTON, 1ST VICE PRESIDENT
W. G. MATHER, 2ND VICE PRESIDENT
D. LEUTY, 3RD VICE PRESIDENT
H. B. CORNER, 4TH VICE PRESIDENT
J. R. NUTT, SECRETARY
E. V. HALE, TREASURER
O. C. NELSON, ASST. SECY.
H. S. NEWBERRY, ASST. SECY.
F. F. SANFORD, ASST. SECY.
GEORGE LOMNITZ, ASST. TREAS.
W. M. BALDWIN, ASST. TREAS.
W. H. FOWLER, ASST. TREAS.

CLEVELAND, O.

Nov. 24, 1906.

BANKING BY MAIL DEPARTMENT

E. M. Marshall, Esq.,
Detroit, Mich.

Dear Sir:-

I am duly in receipt of your esteemed favor of the 22nd inst., and take pleasure in enclosing you herewith a booklet describing our system of "Banking By Mail", from which you will note that we pay four percent interest, compounded on January 1st and July 1st of each year, on savings accounts of any amount from One Dollar to Ten Thousand Dollars.

I am also sending you, under separate cover, a copy of our Financial Statement, together with other literature bearing on the business and offices of this Institution, and desire particularly to call your attention to the large resources of this bank, amounting to over Forty-two Million Dollars, to its paid-up capital and surplus of Six Million Dollars, and to the high financial standing of its Board of Directors, Executive Committee and Advisory Board.

The funds of the bank are invested in high grade investment securities, on first mortgages and well secured collateral loans, no money being loaned on endorsed or commercial paper. By reason of the extensive manufacturing interests of the city of Cleveland, and the consequent active demand for money, its savings banks are all enabled to safely pay four percent interest, while the banks of other cities, not enjoying the same privileges, are unable to pay more than three percent.

I trust you will favor us with your account in which case kindly sign the enclosed signature card and return it to us with your first deposit.

Yours very truly,

E. V. Hale

Treasurer.

ALL CHECKS AND DRAFTS SHOULD BE MADE PAYABLE TO "THE CITIZENS SAVINGS AND TRUST COMPANY."

FIGURE 7

We have additional talk about the bigness of the bank and that 4 per cent. interest compounded twice a year. The forty years of success is impressive, but why Mr. Brown should go so far away from home hasn't appeared.

Mr. Brown is impressed, but he is not sure about *that four per cent. interest.*

The Third Letter Appears

Another ten days passes and the third letter appears. This time the writer appears to think there may be some reason why Mr. Brown has not sent in his deposit, and there follows a little paragraph about safety, which would be good if the writer had only stated how long the banking by mail idea had been in force in his bank, just as a clincher. It is as follows:

Dear Sir:

We desire to again call your attention to the facilities of the Public's Savings Bank, and to ask you if you are not now ready to consider the matter of opening an account with us.

It is as easy and convenient for persons living at a distance to have their accounts with this bank, as it is for those living within the confines of Somewhere. The mails are swift and safe messengers and of all the thousands of dollars that have passed to and from the bank since the "banking by mail" system was introduced, not a dollar has been lost in transmission.

Accounts may be opened with any amount from $1.00 up and interest is allowed at the rate of 4 per cent. compounded semi-annually. Money may be sent by registered mail, express money order, New York or Somewhere draft, or by check on your local bank.

Thanking you in advance for the courtesy of a reply and trusting that you may decide to open an account, however small, we beg to remain,

Very truly yours,

PUBLIC'S SAVINGS BANK,
A. JONES,
Secretary and Treasurer.

About That Four Per Cent

We haven't had an argument about sending our money to Somewhere, nothing to allay Mr. Brown's deeply rooted suspicions about *that four per cent.;* and he feels that the Public's Savings Bank really doesn't want his money very badly.

While Mr. Brown is one day looking over the bank's statement, horrors! he sees *"Stocks, bonds, etc."* put down for an amount equal to nearly one-third of the total listed resources! He turns to the second letter, where it says: "It does not deal in stocks, does not speculate, etc."

To Mr. Brown, being a layman and untutored in the finer distinctions, this looks like a palpable attempt to deceive.

Ah ha! says he, and that settles the Public's Savings Bank of Somewhere.

There you are!

Analysis

This analysis will probably surprise the bank that sent out these letters, and probably encourage scoffing, but it is a true reflection of the layman's reasoning on such matters.

That many new accounts are opened by even this method of treatment does not weaken the force of the criticism, because we are advertisers for *all* the business and experience and insight that we can obtain, or for as much as the appeal to the gambling instinct will get us.

In Figure 7 is reproduced a letter from the Citizens Savings and Trust Company of Cleveland.

It is better than what we have been reading.

Notice the first person singular in the very first paragraph.

That first paragraph is a strong statement. The Public's Savings Bank of Somewhere looks very small beside this giant. Mr. Brown makes some comparisons and then writes to the Cleveland Trust Company, receiving the letter (Figure 8) in a day or two.

This, too, is in the first person, and is signed by the vice-president, Mr. E. G. Tillotson, and is better than Figure 7.

Mr. Tillotson's letter reads more as if he had dictated it. It is not quite so much like a phonograph talking to an audience of people in which Mr. Brown was but a solitary unit.

Mr. Tillotson makes it businesslike, but he does the talking in his own person.

Mr. Brown reads this letter very carefully, and the beautiful booklets and folders it contains still more so.

All these letters seem to have the same general characteristics, but not one of them answers Mr. Brown's old query: "How can a bank pay 4 per cent. interest when my bank pays nothing, or but 3 per cent., and says it is doing a charity for me when it does that?"

All the 4 per cent. savings banks attempt to answer it.

A Pittsburg bank says:

Banks and trust companies in many localities can afford to pay 4 per cent. interest on deposits. Pittsburg is fast becoming a money center. Deposits are being sent from all parts of the world to the financial institutions of this city. Pittsburg is a city of coal, of iron and of money. Here banks and trust companies

EXECUTIVE DEPARTMENT
CALVARY MORRIS President
E G TILLOTSON Vice-President

The Cleveland Trust Company

CAPITAL $2,500,000
SURPLUS $2,500,000

CLEVELAND, O Nov. 28rd, 1906.

Mr. E. M. Marshall,

DETROIT, MICH.

Dear Sir:-

In reply to your letter of Nov. 28nd, I am sending you, herewith, some of our printed matter, which will give you information about The Cleveland Trust Company and our system of "Banking By Mail". I hope we may have the pleasure of receiving your account.

The Cleveland Trust Company offers four percent interest, compounded semi-annually, on savings deposits of a dollar or more, with all the security which a large and well-managed bank affords. In view of our experience with several thousand out-of-town depositors scattered all over the United States and as far away as China, Japan, Philippine Islands, Brazil and other foreign countries, I do not hesitat to say that you would find it satisfactory to keep an account here.

You could remit to us by New York draft, postoffice or express money order, or even by personal check if you prefer, and we would send you pass book by return mail, showing the amount to your credit. The pass book is of convenient size to go in an ordinary envelope and can readily be sent back and forth with a letter as you may wish to make additional deposits or withdrawals from time to time.

People who are at all acquainted with The Cleveland Trust Company do not hesitate to recommend it in the highest terms. It is under very strong management and this, together with its capital and surplus of $5,000,000, would seem to justify the statement that no other bank in the country is more worthy of your confidence.

Yours very truly,

E G Tillotson
Vice-President.

FIGURE 8

6% Interest Explained

THE question is sometimes asked—How can the First Trust & Savings Bank pay six per cent on its Certificates of Deposit?

The answer to this question is found in the large demand for money in this section at good remunerative rates with unquestionable security. The extensive industrial development and agricultural improvements now in progress afford opportunities for the use of money perhaps unparalleled by any other similar section of the country.

These conditions make it possible for this bank to pay 6 per cent on deposits with the same considerations for safety as banks elsewhere exercise in paying a lower rate.

FIRST TRUST & SAVINGS BANK, BILLINGS, MONTANA

CAPITAL, $100,000.00

FIGURE 9

are necessary and profitable institutions. The banks can afford to pay 4 per cent. on savings deposits and still make dividends for their stockholders.

Candidly, is that the strongest argument the 4 per cent. banks have?

"What becomes of New York with its great money center?" asks Mr. Brown. What's the Matter?

Are not banks and trust companies "profitable institutions" in San Francisco and Philadelphia?

Again, Mr. Brown has received from a trust company in Montana (Figure 9) an offer to pay him 6 per cent. on his savings for the very same reasons.

This vagueness, indefiniteness, this dodging of the point in the possible customer's mind, has produced a feeling of insecurity, a lack of conviction, and much of the advertising is wasted.

Just a word about the physical appearance of letters—just as important here as printed matter.

If you must use duplicated circular letters, use good ones; use letters you can fill in and match the name with the body of the letter.

If you can, have each letter specially typewritten, and always when it is in answer to an inquiry. The best and most successful advertisers do this.

Have your letters correctly typewritten.

I have before me a two-page letter from a half million dollar trust company in Cleveland, soliciting my business. There are three pen corrections on the first page, and two on the last, and the signature is a combination of rubber stamp and handwriting, the former so blurred by the use of thin ink that it is undecipherable. Another Letter

You are judged by appearances, therefore use the best stationery you can afford—at least lithographed, if not steel engraved or die stamped.

Never use ornate and highly decorated designs—make the display plain and simple—with your capital and surplus, list of officers and place of business, and a picture of your building, if you occupy it or own it, on the heading.

Some large corporations are omitting the opening salutations.

Instead of "Dear Sir" or "Dear Madam," omitted as too stiff and formal and not used in every-day life in addressing people, they now say,

"Mr. Smith, we have sent you the booklet as you request in your note of the 10th."

Something Different

The form is unconventional and more pleasing, but should be used only when the rest of the letter is in the same manner.

Space your letter so that a short letter comes in the center of the white space under the heading. Do not be afraid of the white margins. The best concerns are not using half-sheets, thereby making their letters easier to file.

Double space your letters.

Paragraph frequently, so you may break your letter up into a number of sections. Paragraphing makes it easier to read, that is all.

Give at least one inch margin to all your letters. White paper is cheaper than a bad impression.

Never use a rubber stamp signature; it is a needless insult to the man who has written you a *personal* letter.

Always typewrite the addresses on your envelopes—never address them by hand.

Use two cents; if for no other reason, because you think your ideas are worth the money.

Some Samples of Letters

Here are a few letters, gleaned from several hundred, the character of which is somewhat out of the ordinary:

DIRECTING ATTENTION TO THE USE OF A CHECKING ACCOUNT

Dear Sir—You will find it quite an advantage in the conduct of your every-day affairs to pay out your money through this bank, using our checks instead of the cash.

We shall be glad to handle such an account for you, and do not require that you carry a large balance with us, but simply keep enough on deposit to meet the checks you write, as our system does not permit of overdrafts.

Your check stubs will furnish a complete record of your transactions, and the paid checks we return to you will be indisputable receipts for the money you have paid out, as the party to whom you issue the check must endorse it with his signature before we pay it.

If this proposition meets with your favorable consideration, you may call and get a check book, pass book, and a supply of deposit tickets at any time. Yours very truly,

- - - - - - - - - -, Cashier.

EXPLAINING THE VALUE OF THE CERTIFICATE OF DEPOSIT

Dear Sir—Permit the suggestion that as fast as you acquire surplus money you put it to work earning more. This is the plan adopted by a number of our customers, and they are rapidly "getting ahead."

When you have $10 more than your immediate needs call for, bring it in and get a six-months' Certificate of Deposit, drawing 4 per cent. interest. Some of our customers buy a $10 certificate every week, and many others call for one regularly every month.

Begin this now, on the monthly basis, and in seven months you can put 20 cents interest in your pocket and begin taking $20 certificates each month. In thirteen months you will begin to pocket 40 cents interest and to buy $30 certificates. Keep up the system for three years

and you will be taking a new $70 certificate every month, and each month we will have $1.40 interest for you.

Should you have need of ready cash at any time before your certificates are due, we will cash them without interest, or will lend you the money, as you prefer.

Hoping to be of service to you, we remain, Yours very truly,

————————, Cashier.

SUGGESTING AND ENCOURAGING THE OPENING OF A SAVINGS ACCOUNT

Dear Sir—The only reason that it is difficult to save money is that many do not take the trouble to arrange some regular system for putting aside a fixed portion of their earnings.

The greatest progress is made by those who carry a savings account separate from all other banking business. Decide upon the amount you can save each week or month and deposit it regularly with us on savings account. Do this first, as soon as you get your money, and don't try to take care of your miscellaneous expenses first, with a view to saving what is left. Make your savings account your FIRST obligation.

If you begin this, and encourage others of your family to do the same thing, you will thank us for having suggested it.

Your savings account will be welcome here, and all such deposits will draw 3½ per cent. interest, compounded twice a year. Yours very truly,

————————, Cashier.

ACCOMPANYING STATEMENT TO DEPOSITORS, AND URGING THEM TO WORK FOR THE BANK

Dear Sir—As one of our depositors, you are interested in the growth and success of the bank; hence, we submit the enclosed statement, showing recent progress.

You can help materially in making a still better showing in the next statement, by introducing one new depositor here within the next thirty days. We do not ask that you influence one of your friends to withdraw his account from some other bank where he may be well satisfied, but you know a number of people who have no bank account at all, and who would get along much better if they had one. This is your opportunity to help them, and to favor the bank—a favor that will be greatly appreciated. The right word at the right time, and an introduction by you will accomplish this. No matter how small an account they are able to start, encourage them to do it now.

Thanking you for past favors, and with best wishes, I remain, Yours very truly,

————————, Cashier.

Here is a man with an "I," who had something to say for his town. He made a point and got some business thereby:

Dear Sir—I am writing today a number of our most influential citizens, calling their attention to a matter which I think they have never really stopped to consider—and that is the growing importance of our little town of Hopedale as a trading center. The fault with most of us is that we do not appreciate what we find nearest home, but travel many miles, and even in foreign lands, hoping to find enjoyment and advantages which we might have at our very doors, if we could but properly appreciate our surroundings.

Thus it is with a great many people who live near Hopedale. They do not seem to realize what a beautiful town it is and what excellent advantages it offers.

Within the past few years, owing to the building of new railroads, the development of oil and gas territory and the opening of coal mines, Hopedale has advanced wonderfully and it is now one of the best and most convenient trading points in Harrison county. With such stores as Hopedale can boast of, I am sure no one need go outside of town to do his buying. Our stores carry a larger and more complete line than stores in towns many times larger, and I guarantee that you can buy as cheap, if not cheaper, here than elsewhere.

I would like particularly to call your attention to Miller & Patton's hardware store. This store deals exclusively in hardware. They have everything imaginable in that line and, I understand, at prices that will compare most favorably with any other store of the kind. Ladies will find J. W. Scott's dry goods store a most desirable place to trade. They not only have a large and well-selected line of fancy and staple dry goods, but carry a full line of boots and shoes and clothing. Mr. Scott's furniture store is just below the postoffice. He has a fine stock of furniture, and is building up a good trade in that line. Miller & Hines have given their attention almost exclusively to groceries, and they have one of the best and most up-to-date grocery stores in the county. They sell hardware also. Finnicum & Parks have a general store. They carry an unusually large stock and you will have no difficulty in finding what you want in any line. You should by all means visit their store. W. S. Eagleson has a department store. He carries a good line of groceries and dry goods and devotes a separate room to boots and shoes, of which he has a fine selection. G. W. Liggett has a first-class bakery where you can at all times get fresh bread, cakes, etc. His grocery is situated across the street. The Hopedale Flouring Mill has been long established and makes the very best of flour. They also sell grain, feed, etc. The mill is owned by Mr. D. L. Hess. A very important industry of Hopedale is Tweedy, Bernhard & Co.'s lumber yard. They have an immense stock of lumber and all kinds of building material, and at prices, so I am reliably informed, that you can not find elsewhere.

Some Samples of Letters

Hopedale is also substantially supplied with churches, the Methodist, Presbyterian and Christian churches all being in a flourishing condition and in charge of good and capable ministers. Strangers are always welcome.

If you are not already doing your trading in Hopedale, I hope you can appreciate the advantages of doing so and that you will influence your friends also.

You are always cordially invited to visit this bank, and we will try to make things as pleasant for you as possible. Very truly yours, * * *

Here is another form used by a bank in obtaining circulation for its bank publication:

Dear Sir—To keep our depositors and friends fully informed regarding banking methods and the financial matters in which they are interested, we have arranged to publish a small, but very interesting, monthy paper called the "The Bank Depositor." We shall be glad to have you send us your name, on the enclosed card, to place in our files, so that we may send you the paper, free, every month.

We wish at this time to renew our invitation for you to command the officers of this bank whenever you have business in the city requiring the services of a bank. When you have checks to be cashed, no matter what bank they are drawn on, you are welcome to bring them here and save the time and trouble of being identified at other banks. Should you wish to open a checking account, we shall be glad to issue you a book and a supply of checks at any time.

When you have idle funds which you do not expect to use for several months, you can place the money with us on Certificate of Deposit for a given time, say six or twelve months, and draw 3 per cent. interest on it.

Even if you wish to keep only a small account here, you may be assured of courteous attention and the best service that this bank has to offer; and if you are not a depositor with us at all, we shall be glad to have your continued acquaintance and good-will and to place our banking facilities at your disposal whenever you have need of them.

Kindly send us your formal request for the paper by early mail, as we are revising our list and verifying addresses, so as to have all correct before we begin mailing. Yours very truly, * * *

This letter is suitable for a rural and agricultural community:

Dear Sir—Are you provided for life's winter?

The farmers hereabouts have lately been reaping the fruits of their work of the past twelve months.

When the harvest is gathered, a portion of it will be stored away to satisfy personal and family wants during the winter to come. The rest will be sold at the highest price procurable, and the money—well, the prudent farmer will put a good part of it away in this good bank, where it will be safe and secure and ready for use when NEEDED.

'Tis thus that life's winter is provided for. In our harvest days we should lay aside a portion of the fruits of our labors, so that when earning days are over or when, perchance, a "bad season" strikes us, we shall not be caught unprepared and "hard up."

If you have no bank account, this is about the best time to start one. This is the season of the year when money is most plentiful in this section—when the farmers realize on the year's work. Hold what you have by depositing it in this bank.

We pay 4 per cent. interest on special deposits of $10.00 and over, though you can open an account with as small a deposit as one dollar.

And, remember—if you do not find it convenient to come to the bank in person, don't hesitate to use the mails. We have depositors all over the county who have never been inside the bank, and their frequent expressions of satisfaction indicate how much this convenience is appreciated.

We shall hope to hear from you during the harvest season, and will gladly answer any questions, that you may be fully informed as to our methods of doing business and the many conveniences afforded our customers. Yours very truly,

A commercial bank desiring depositors used this successfully:

Dear Sir—We wish to call your attention to the many advantages of having a bank account.

Your money is safer, as fire- and burglar-proof safes are used for its protection.

It is much better to use checks in all business transactions, no matter how small, for cash may be lost and checks are of no value except to the persons to whom they are made payable, and as they must write their names on the back before they can use them, you have a receipt for the amount paid and save the trouble of filing receipted bills.

It gives a man a better standing in the community to have a bank account, it teaches him good business methods, and it brings him into touch with the bank people, who are always glad to extend any business assistance in their power.

Don't wait to accumulate any amount; open an account at once, no matter how small, and you will soon be able to carry the balance you wish, for the habit of saving is more easily formed when your money is handled through the bank.

Some Samples of Letters

Be sure that you will receive our best attention, whether your account be large or small.

Having had years of experience in financial and commercial matters, we shall be pleased to place the knowledge thus gained at your service.

Our relations with you will be strictly confidential, so you can feel free to consult us on any question of interest to you.

Our best service shall be yours. Yours very truly,

——————————, Cashier.

A trust company used this form:

Dear Sir—As a depositor of this Company, we feel that you are interested in its continued growth and prosperity, and hence, take the liberty of asking the favor of your confidence in a matter which we trust you may regard as of mutual interest.

We desire to have the deposits of our Company for the year Nineteen Hundred and Five show the greatest increase in its history; no better indication of the prosperity of a community can be cited than the healthy and continued growth of the Savings Accounts of its people. Every dollar saved and deposited adds to the Per Capita Circulation of the country, and thereby promotes commercial and industrial progress.

We enclose a few introduction cards. Will you kindly sign and hand to some friends who are not now depositors with our Company?

Assuring you of our appreciation of the favor of your kind assistance, and with best wishes for your continued prosperity, we beg to remain,

Yours very truly,

——————————, President.

A national bank in Illinois, about to have local competition, after having enjoyed a virtual monopoly of the field for more than thirty years, sent a long personal letter to its customers. It is an interesting addition to the literature of bank advertising, and we reproduce it in its entirety, omitting the names of the towns:

Dear Sir—Before you receive this letter you will no doubt have learned that an effort is being made to organize another bank in ——————. One has already been organized in ——————. For the last thirty-three years all the people living in and near these places who have had banking business, have been our valued customers. The only possible way in which these new banks can hope to secure business is to draw from us those with whom we have been associated so long, not only as customers, but personal friends. It is no light thing to change an association that has been mutually pleasant and agreeable for so many years. For these reasons it appears to us, not only to be justifiable, but to be our duty, both to customers and ourselves, to indicate to them our sense of appreciation of their past relations with us and ours with them, and to express our trust that these may continue and grow closer from year to year.

In this connection there are some things we ask you to remember: First, our Capital and Surplus, amounting to $120,000.00 make us the strongest bank in this entire county—our entire assets are more than half a million dollars; second, it has been our policy always to look as carefully after the interests of those who do business with us as we do after our own. To our borrowers we voluntarily reduced the rate of interest from 7 per cent. to 6 per cent. on amounts of any consequence; to our depositors we voluntarily began the payment of interest on even hundreds of dollars when deposited for a specified time of six months or one year, 3 per cent. in the latter case and at the rate of 2 per cent. in the former. We have been frequently asked by those engaged in the banking business elsewhere and by those proposing to engage in it here, why we paid interest on deposits, and our answer was and is—BECAUSE IT IS RIGHT. Again, no customer of this bank has ever asked us for an accommodation of any sort that was within our power to give but what he received it, whether that accommodation meant any profit to the institution or was merely a personal matter of individual friendship. Our efforts have been, and shall continue to be, to serve every customer exactly as we would wish to be served.

These are all facts, fairly presented for your consideration. And if fair and considerate dealing is regarded as "worth while" in the affairs of men, it gives us every reason to feel certain that no inducement that can be offered to you will cause you to transfer our friendship. No new institution can possibly do more for you in any capacity than can we. The president of one of the largest banks in St. Louis said in a recent public address: "It is not money that makes a bank; it is not the stockholders that make a bank; nothing less than twenty-five years' experience can make a GOOD bank." We have the Money; we have the Stockholders, and we have the Experience.

As a further evidence of our good intentions we beg to say that in future this bank will make no charge to our depositors for exchange on drafts. If you owe money anywhere in the world, you can send it through us by a draft absolutely free of charge, whether the amount be one dollar or one hundred thousand dollars.

Some Samples of Letters

As soon as we can secure the necessary record books we shall open a Real Estate Department. We will then be prepared to find a buyer for any real estate you may have to sell or find you a farm if you wish to buy. And since National Banks are forbidden to lend money on real estate security, we are making arrangements with a Life Insurance Company to secure for borrowers on real estate, loans at low rates of interest. In other words, we expect to take care of our customers in every possible way financially. And be assured you will receive the same considerate treatment in these new departments that you have always received from us heretofore.

Assuring you of our appreciation of both your friendship and your business, and trusting that you will from time to time read our announcements in the local papers, we are,

Sincerely yours,

_____, Cashier.

A letter sent by the Columbia State Bank, Oakland City, Ind., with a copy of the first number of its monthly paper:

Dear Sir—We are handing you herewith the first number of "Columbia Bank News," which will be issued monthly for the present by this bank.

Not long since, it was considered that to be interested in banks and banking, or to have any need for a "Bank Deposit" account, one must have a goodly amount of surplus money, or at least be carrying on such business as involved the handling of money in large sums. Recently, however, the general public is fast coming to know that though the weekly income may be just equal to the weekly expenses, that this constitutes "business" that can best be handled by depositing the income in bank and paying all bills by check. The question of "Where did that money go?" can then always be answered.

"Columbia Bank News" will deal with just such modern ideas pertaining to banks and banking.

We shall be pleased to mail you the succeeding numbers, and feel sure that you will find its pages both interesting and instructive.

If we have not already done so, may we not have the pleasure of opening a deposit account for you very early in the New Year? No account is too small to receive the same courteous attention as the larger one.

Oakland City's new bank extends to you a New Year's Greeting. Sincerely yours,

COLUMBIA STATE BANK.

N. B.—Our Writing Room is always at Your service.

This is a copy of a letter recently sent by the Union National Bank, Indianapolis, to all the farmers in the county. A signature card was enclosed:

Dear Sir—It will be to your advantage, in several ways, to have a regular banking connection in Indianapolis. We have a number of depositors in your neighborhood, and shall be glad to have your better acquaintance, and to be of service to you when you have business in the city.

In order that you may be known here, as one of our Marion County customers, we hand you a card, for your signature, which you may send us by mail, and we will place it in our files. This signature will serve as your identification. When not convenient for you to make a trip to the city you can make deposits by mail.

Our customers outside the city save themselves many trips by telephoning us (New 740, or Main 3980) for information on business matters or to make purchases for them. If you have an account with us we shall be pleased to extend to you every reasonable courtesy and service.

We are paying 3 per cent. interest on time deposits of six months and one year.

We shall continue to send you our paper, "The Bank Depositor," and hope to receive your signature for our files, with a small deposit. Yours very truly,

_____, Vice President and Cashier.

The model letter is generally a delusion and a snare. The foregoing may have, however, a few thought starters.

CHAPTER XVII

ARRANGING, SYSTEMATIZING AND HANDLING LISTS OF POSSIBLE CUSTOMERS

WORKING OUT LISTS OF CUSTOMERS—THE VALUE OF LISTS—PRICES THAT HAVE BEEN PAID FOR LISTS—THE COST OF NAMES FROM ADVERTISING—NAMES IN DIFFERENT LINES OF FINANCIAL ADVERTISING—MAILING LISTS GROW: CANNOT BE OBTAINED AT ONCE—LOOSE LEAF VS CARD INDEX METHODS—SIMPLE FORM OF INQUIRY CARD—INDEXING YOUR LISTS: A B C; GEOGRAPHICAL; LINES OF BUSINESS; VOCATIONS—TAB-CARDS—THE STORY OF A MINNESOTA BANKER—DEVELOPING A RECORD OF BUSINESS WITH THE CARD INDEX METHODS

A Systematized Acquaintanceship

"RIGHT HERE," said a bank cashier on one occasion, as he pointed to a card cabinet, "I have the banking-by-mail-man beaten. I have here the name of every man who owns property, works for wages or lives on a private income, in the six counties of which this town is the commercial center."

He had the right idea.

He had systematized his acquaintanceship, made a machine to carry his personality to the remotest corners of his natural territory.

He had realized his opportunity and had prepared to get all out of it there could be in it.

The reason for this treatment was not hard to find, and you will see it in a moment of reflection.

This cashier realized that banking is a personal matter, and he was prepared to fight it out on personal grounds.

He went to the greatest trouble to *know all his people,* and he had succeeded.

What does it matter what kind of advertising you issue, if you cannot get it into the hands of the right people.

This applies to city as well as country people. In marketing high-grade real estate a list of salaried people is worth from $50 to $100 a thousand; in marketing bonds and investments I know one house bought of another going into liquidation because of the death of its head, a list of 14,000 names of people who had purchased low-priced stocks, paying $1,000 for the list.

I have paid as high as 79 cents per inquiry for investment names. Some advertisers refuse to pay more than so much per thousand for

names. One trust company advertising to-day has set a standard of price per inquiry, and whenever any particular medium fails to produce the requisite number of inquiries, the advertisement is withdrawn until the publication's average is reached.

I wish I could feel so sure that it was the fault of the medium and not my advertising that I would be willing to forego all the value of continuity and repetition. It must be very comfortable to feel so assured of one's infallibility!

Obtaining Your Lists

Lists are to be obtained in several ways, and are valuable for several widely different things.

The mail-order bank man advertises in magazines and asks his present out-of-town depositors to furnish other names of people whom they know have money to save, and obtains them by other means, to be considered later.

The investment broker may make his names up from lists compiled by list houses, who compare city directories with Dun's and Bradstreet's rating books and telephone directories, and will give you lists according to ratings, with the names and street addresses neatly typewritten for prices ranging from $3 to $10 per thousand.

The stock and bond houses get names from club directories, blue books and from the newspapers and business directories.

First-class houses, however, do not distribute their advertising in any general sense, principally because stocks are generally issued in units too large for the salaried public, and bonds of five hundred or a thousand dollars are likewise too large. The houses marketing the installment stock and bond propositions use lists of professional people, such as school teachers, preachers, doctors, dentists, college professors, railway conductors and others.

Different Kinds of Lists

The city bank, after commercial deposits, uses lists made up of business houses, retailers, wholesalers, manufacturers and the more prominent investors and money makers, always using the names of individuals connected with the concerns.

If the savings end of a bank wants the small householder, the man of family, these lists are obtained by a careful canvass of the real estate sales, the poll lists and the marriage license column. Frequently the more enterprising have the clerk in charge of the lists look over the birth lists, and the savings-account-for-baby advertising is sent to such prospects.

Of course the trust and title insurance companies have to make a record of the principal property holders, by wards or townships, and the real estate department frequently duplicates the county records in order to give prompt service.

These card records are different in intent and arrangement from the purely banking records.

New names are added as fast as the transfers take place.

Safe Deposit Lists

Safe deposit companies are generally associated with some bank or trust company and have access to the latter's card records. The supposition is that any one who has real estate or even a commercial account, will have some use for a safe deposit vault.

The country banker has a somewhat different proposition. His list is more general, especially if he has two sides to his bank, commercial and savings.

The mailing list must be much more than a mere list of names and addresses. It should be filled with the most complete and suggestive information about each one.

I know one New York banking house that has a list of 80,000 names and addresses. Each is given a separate card, and on each card is arranged space for the name, business connection and official position, home and business address, how long in business, former connection, rating, and then follows space for the various advertising sent to the party. On the back of the card is arranged space for the average sum carried on deposit for ten years, by the year; average discounts; average renewals, if any; commercial or savings or both, and a space for "Remarks," under which are listed clubs, churches and other interests.

Information the Object

The main object of such a list is to furnish information to the officials and the new business department.

If such a bank proposed to send out solicitors for savings bank business it has an excellent nucleus to start with. If it wants to sell some bonds, it has a list of investors not only of its own depositors but of strangers to which it may make the offering, and it may select even from these the particular few to whom it considers the offer will be most attractive.

This method saves money which otherwise would be wasted on unproductive names.

Rating

Employed with _____ D _____

Owns Home _____ B _____

Mortgage; Amount _____ with _____

Habits _____

Credit Local Merchants _____

Borrower _____

Banks now _____

Church _____ Fraternal and Secret _____

Remarks _____

FIGURE 1

Name _____

Street _____

Town _____ State _____

Position or Business _____

ADVERTISING SENT

	1908	1909	1910	1911	1912
Form Letters					
House Organ					
Replies Received					

Remarks _____

Source

FIGURE 2

The Value and Difficulty of Getting Good Lists

You may say that it is "next to impossible" to get the data suggested in the foregoing. It certainly is impossible to get it at once. A mailing list should be a growing thing, both in size and the quality of its information.

When, in the course of a year, you have a pressing need of such information, you can then be duly thankful that you gave it the little time and attention it required.

The mailing list may be handled in two ways: In loose leaf books or in card indexes.

Loose Leaf and Card Index Methods, Which?

The loose leaf book idea has several advantages: (a) less bulk, because the leaves are made of thin paper; (b) the binder permits the leaves to be handled quickly and carried easily from place to place; (c) cheapness.

The card index has other advantages: (a) can be more easily used with typewriter at all times; (b) is easier to handle the cards; (c) greater flexibility in handling as mailing list among a number of addressers.

Leaving the loose leaf book idea out of consideration, the average list of 2,000 names can be handled with special indexes complete in a two-drawer card index cabinet.

The card to be used will greatly depend on the character of business and how complete the analysis that will be required.

Simple Form of Inquiry Card

A simple inquiry card, like Figure 1, might be used in the majority of banks and trust companies. This form allows for a mail order list divided according to lines of business or professions, or by a simple A B C index. It will give you the average account for each year and the amount of advertising sent to the name.

On the reverse side of the card you might use a form something like Figure 2. Frequently these cards are kept by an officer of the bank and a code is used, for all such things as habits, credit, borrower, mortgages, etc.

You will use these cards for different purposes.

In general you will want them for a list to whom you can send your statement, or any general piece of advertising such as a house organ or booklet or circular letter, around the first of the year when good resolutions are supposed to be more potent.

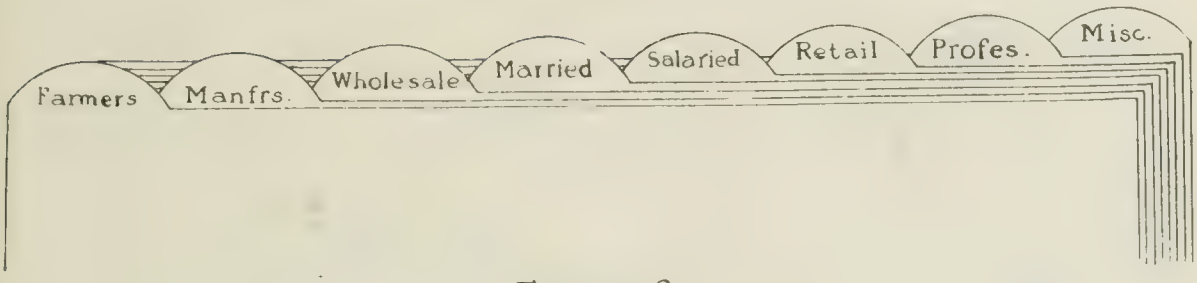


FIGURE 3

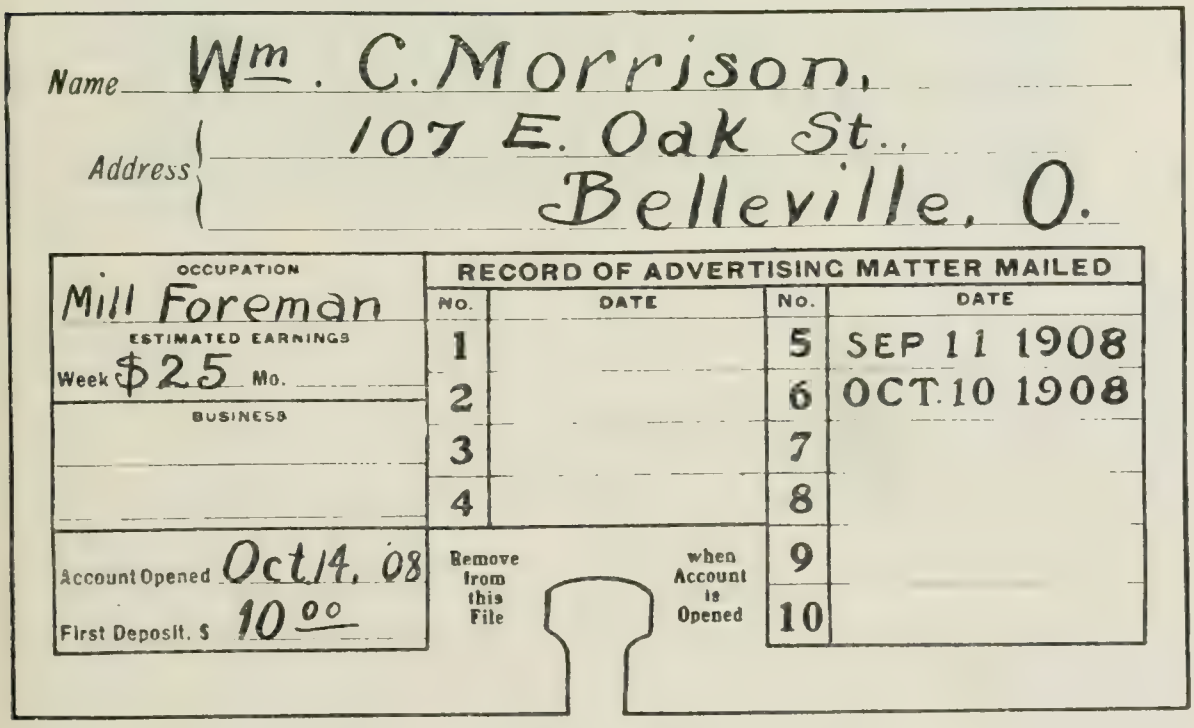


FIGURE 4

A Quick and Effective Way of Dividing

How are you, on the other hand, to send a letter to farmers without going over your entire list and picking them out?

We must prepare our list, therefore, so that it may be easily and quickly handled.

When we make it up, we have decided, for instance, to index under A B C for names.

Next we want the list arranged by divisions such as Professional—Retail—Wholesale—Salaried—Married—Farmers, etc. We will have to use tabbed cards, like those shown in Figure 3. We give farmers, of course, a card with "Farmers" on the tab. As the farmer card's tab will always hold the position farthest to the left, we can readily select all the farmers out of our list, no matter how many more may be in the same drawer, without handling any of the other cards, and at the same time use the A B C index.

Advantages of the Self-Indexing

This style of self-indexing will also permit of a geographical division by townships, towns or counties, affording the quickest possible reference to any town and getting the number of wage-earners in it. Use the County index and run an A B C index inside, or use a town instead of the county.

As these tabs can be cut so as to give twelve positions across the top of a five-inch card, and by simply changing the color of the cards you may multiply your divisions of a list by ten or twelve colors, the possibilities are wide enough for the most diversified list.

All your present customers should be put on differently colored cards from your possible customers, so you will not be writing the former letters or sending them circulars asking for accounts.

I show in Figure 4 a style of card used by some banks.

Advertising Machine

In handling a large mailing list to which you are regularly sending advertising and letters, the card index style of addressing machine will prove profitable. I show in Figure 5 an illustration of one of the plates used in the more successful of these devices. The explanation appears with the illustration.

Having prepared ourselves for handling our list, the next thing is —how shall we get a list?

First, we want every present depositor in the bank listed, as well as names of such former depositors as are living within our territory.

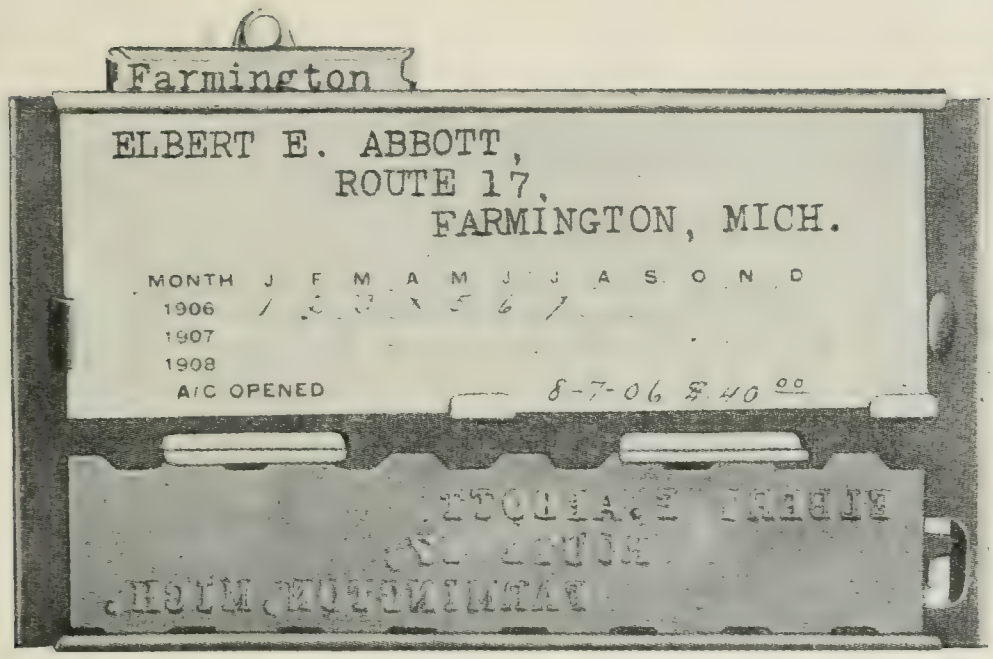


FIGURE 5

Illustration.—A Card Index Printing Plate. At the top of the plate is shown a perforated projecting index tab by which any subdivision may be had; also a detachable card holder on which is printed with the typewriter the name of the town or any name desired. Should a name be added that would precede this one, Aaron, for instance, the town index card holder may be removed and attached to the new holder, thus always keeping it to the front of the name it is to indicate. This illustration shows the name and address of the party; it also shows that in January, 1906, article or letter No. 1 was sent out; in February, 1906, No. 2; March, No. 3. It shows that the name was skipped in addressing the list for April; No. 5 was sent in May, and so on—every item sent being indicated on the record.

Get the Names on Your List

Do not be afraid to put names on your list. You want names—they mean people—people mean possible depositors, and they are what you are after.

The mailing list is not a selected list of people to whom you are going to make loans; they are people from whom you want to borrow money.

Remember you can't tell by the size of a frog's croak how far he can jump, therefore, do not think for a moment that you have the whole city, town or countryside tabulated and filed away.

I want to quote from a recent article in a banking paper.* The article takes as its text the following letter from a cashier of a bank in Minnesota:

"We don't have any rural routes in this section and it doesn't look like an easy matter for me to get up a good mailing list. I believe in a live line of printed literature for the bank, to be mailed with some regularity to a good list. I have finally made a start by arranging with the county clerk to have one of his office deputies make me a list of all the tax-payers in the county, omitting, of course, the non-resident tax-payers. Much of the land here is owned by Eastern parties. What do you think of it?"

Then the article continues:

An Experience With a Mailing List

By what course of reasoning, Mr. Minnesota Man, do you reach the conclusion that the non-resident tax-payer should be excluded from your list? Don't do it. The Eastern man who owns a farm or two in your county is a good prospect for business. Spend ten or twenty cents a year on him and be glad of the chance. He will be an interested reader of all the printed matter you send him. It may occur to him that you can be of service to him in various ways, and that you can sometimes save him a long trip by looking after his property interests. You can pay his taxes, attend to his insurance, find tenants and buyers, negotiate loans, or buy more land for him. Whatever the bank can't do for him, as a bank, an officer of the bank can do as an individual, and sometimes turn a peck of honest pennies in the doing.

You have a number of customers. If you didn't have any you wouldn't keep your bank open. And for every customer you have there are at least three prospective customers within reach of your bank who are not yet doing any business with you. There is your mailing list. Get the names of those people and their correct postoffice addresses. Send them something to read every month, whether they need it or not. The more they read about you the more they will bestir themselves to bring in their friends and relatives.

When you begin making up a mailing list, don't start with the idea that you are compiling a blue book. Your list is not to be a social or financial register, but a means of reaching the plain American folks of your section who work with their hands and make what money they can as honestly as the customs of the country may permit.

The cashier of a Northern Indiana bank told what a time he had been having for four months in getting a mailing list into shape and following it up with printed matter every month. He had started a monthly paper.

"The next day after mailing out the first number of the paper," said he, "a man came in and wanted to know why we hadn't sent him one. He said he had read one at the house of a neighbor the night before, and he seemed hurt, and even a little bit miffed, because we had slighted him in the distribution. I expressed surprise that he had not received the paper, and told him it would be sure to reach him every month thereafter. The explanation put him in better humor, and he said: 'Well, now that I'm here, I think I'll begin doing a little business with you. Let me have a six months' certificate for $300.'

"That taught me my lesson. I knew the man well, or thought I did, and I had deliberately left his name off the mailing list because I thought he didn't amount to much and wouldn't have $10 worth of business with a bank in a year. I filled up my list with 'common names' after that, and have seen several good-sized deposits come in from fellows that I didn't think ever had a dollar ahead."

*Bank Notes, Indianapolis, Ind.

An Experience

This same cashier Fitton, and his bank is the Farmers', of Silver Lake, Indiana, told what results had already been realized by covering that mailing list of "common people's names" only four times. It increased the bank's deposits 27 per cent., which was more than any whole year's growth in the past; and this was accomplished without the aid of any other advertising and in the face of the first local competition the bank ever had. A new bank was started at the same time the Farmers' began covering its mailing list with the little monthly paper, but instead of the new institution cutting into the old bank's business, as Mrs. Grundy and some of her neighbors said it would, the Farmers' Bank achieved a big year's growth in four months.

In deciding who shall receive the bank's advertising and who shall not, don't judge people by their clothes, or by what you may have heard somebody say about them. Or, if you must judge, give them the benefit of the doubt every time. These people live and move—and you have lived and moved yourself and know that it costs money to do either—therefore they must sometimes have some money. When you once get it clearly fixed in your mind that anybody is good enough to read whatever you may write about your bank, then you will begin to win custom.

And your biggest deposits will come from the pockets of trousers that are not creased.

Here are some of the sources to draw from for your names:

Rural route carriers.

The county clerk.

Tax assessors.

Your personal acquaintance.

Factory pay-rolls.

Lodge and club memberships.

School district lists obtained from country teachers.

Newspaper subscribers—if the publisher will give you his list.

These are only suggestions to start you thinking. When you get interested in the subject, you will think of other sources and other methods of adding desirable names to your list. We know some bankers who are so wicked as to watch for names signed to checks of rival banks and promptly enter them on their own lists.

The larger city bank or financial advertiser will have to draw his distinctions finer than the mere basis of "Has he any money?"

The trust companies, having so many interests and purposes to serve, must subdivide their lists and appeal to each division in many cases for a part of their business.

The lists must be divided to take care of the work of the banking, corporate, trust, individual trust, safe deposit, savings, title insurance and suretyship, and probably real estate and insurance departments.

Keep Your Lists in One Place

The card lists are not divided according to departments, but the lists of property owners, corporations, large investors, small investors, lawyers, etc., are of use to all departments, some lists of much more interest to one than to others.

Special mailing matter is prepared on the work of each department and mailed to the sections of the lists interested.

Experience proves that a list changes almost completely in six to nine years.

New names must constantly be added and old ones removed. This requires persistent care and attention from a very intelligent class of help.

A mailing list to any financial advertiser is absolutely necessary; a systematic, thoroughly up-to-date list containing business information,

is a source of constant inspiration and a spur to fresh business-getting effort.

Make your entries on each card each day as the events happen, as business develops.

Go over your list at least once a week.

Read over the entries, check up a few of the oldest names, remove them from the card drawer. Find out if they have died or moved away.

Take a few of the most desirable and call on them, or have your representative do so.

Distribute some of the cards among your clerks, according to their neighborhood and test out the clerk's ambitions to become a real business producer. A little coaching will be necessary.

Keep in touch with the territory in this way and at the end of a year you will be surprised to see what a good mailing list can do for you.

CHAPTER XVIII

PLANNING AN ADVERTISING CAMPAIGN

THE IMPORTANCE OF A PLAN—HOW THE RETAILER AND THE MANUFACTURER OPERATE—THE THREE ESSENTIALS—WHAT DO YOU WANT?—TIME AND PREPAREDNESS FOR GOOD COPY—THE STUDY OF YOUR POSSIBLE CUSTOMER—TYPICAL ANALYSIS OF BANKING PROPOSITION—A PLAN FOR SPENDING $1,000 A YEAR—THE METHODS OF A SOUTHERN BANK—BANKING BY MAIL PLANNING—THE WEAKNESS AND STRENGTH OF KNOWING HOW, WHY, WHEN AND WHERE

What is Your Plan?

"WELL, what is your plan?" said Carnegie, when the beautiful possibilities of the steel consolidation were first opened up before him.

"Well, what is your plan?" asks the capitalist about to consider investing in some new methods of making and selling a specialty.

The old advertiser about to introduce a new line of goods, calls in his sales and advertising managers and they are asked to submit a "plan of marketing the goods," with costs, etc.

The retailer plans his year's campaign of advertising, basing it on the experience of previous seasons, and can fairly judge how much money it is going to take to accomplish a desired result.

"Plan your work, then work your plan," is a fairly descriptive epigram of the process by which most trained advertisers achieve success.

The advertiser plans that expenditure, just as the manufacturer plans to sell so many typewriters, then buys his stock, hires his workingmen, engages his salesmen, divides his territory and apportions his advertising and selling expense.

Just as he does not unalterably fix the limit of his manufacture, or the number or character of his workingmen, or his salesmen, or tie himself to an unalterable and fixed division of territories, so he does not say at the beginning what he will do with the pages of space in the magazines, or how many booklets he will issue.

This foresight gives him that opportunity for effective organization which has made our American a power to reckon with.

He plans, then concentrates through his system of organization, all the brains and all the energies of his people and all the power of his capital and credit to make that plan a success.

The plan of campaign is the machine-like concentration of purpose which carries many an advertiser over that dead centre on which all advertising at some stage seems to falter and hesitate, and which lies between the enthusiasm of the start and the satisfaction of realization.

If we had no plan, no campaign, in which our faith and our powers were enlisted, if we did not know of certain things we had planned to come, many would stop half way and never go any farther.

Three Essentials of a Campaign

There are three essentials of an advertising campaign—

a—A definite end to be gained,
b—Experience to see the road to it,
c—Money, and the grit to spend it.

Failing in any one of these things, the advertiser can have no campaign in the true sense of the term.

If the advertiser doesn't know what he wants, or where he wants to go, he can have no method.

If he hasn't experience, he must fall back on the native wit which will generally suggest getting the benefits of the experience of others.

If he has no money, he can't pay for either experience or a ticket; if he hasn't grit, he had better forget all the rest—money, brains, knowledge, experience, for he isn't an advertiser and never will be one.

Most bankers will see the application of these three essentials to their line of advertising.

First decide that you really *want* to advertise. Too many bankers go into the newspapers just because they think it is good policy to keep on the right side of the newspaper, or from a more laudable desire to "help along the town paper."

Of course, that is charity and not advertising, and should not be misnamed.

What is Your Goal?

If you really *want* to advertise, *what* do you want to advertise for? What is your goal?

Do you want more savings accounts?

Do you want more commercial depositors?

Do You Want it?

Do you want to interest the small depositor, the small dealer, or is it the big man you are after?

Do you want business or do you want to "keep the bank's name before the public?"

Having fixed on some one or more of these things, then let us ask ourselves—Do *we* know *how* to get these things?

Let us examine the successes in bank advertising and ask ourselves if we know *what made them successful.*

Have we had the experience of those advertisers in our town who are making successes of their advertising?

Let us read the local advertising and explain in our own way why some of it appeals to us and some does not.

Why is it that some is so uniformly good and some so uninteresting, unattractive and unconvincing?

Analyzing the Local Advertising

It will seem queer, but we will commence to see more in advertising than we had first dreamed of. If we receive it with open minds we will commence to see the first great principle:

Good advertising doesn't just happen; it is the result of a plan.

We will follow some of the most successful advertising and we will see that it differs in individuality and character, in display and illustration, and we will not have to deal in very subtle analysis to appreciate the next principle:

Advertising is the expression of selling personality of an advertiser.

Some may decry a plan as "cut and dried methods." There is a world of difference between the untrained intelligence that attempts to foresee the minutest detail a year away, and the system that prepares months ahead for those conditions which experience knows are inevitable.

Once a year at a meeting of the Board of Directors some one says, "How much shall be spent on advertising for the ensuing six or twelve months?"

How much this shall be depends somewhat on the business acumen of the dominating spirit of the board, how well the previous appropria-

tion has been expended, and whether the board feels in real good humor towards the business-getting end of the management.

The Effect of Study and Planning

Some men can get the credit of spending a great deal by always having advertisements wherever their possible customer may be.

That requires study and planning.

There are advertisers who never plan a campaign. They "decide what to do as they go along."

These are the joy of the man with a scheme.

Such advertisers are always in sackcloth and ashes.

Still others, set aside a certain sum for each line of advertising, so much for newspapers, so much for booklets, so much for personal letters and so much for souvenirs, etc.

Some people go to great pains to elaborate a quite amusing sneer at the cut-and-dried publicity of those who outline before-hand their advertising campaigns.

The planless work constantly suffers from the greatest of drawbacks, producing under the spur of immediate necessity, working without foresight and preparedness and at the disadvantage of having to do many things after but slight consideration.

Effective Advertising Must be Planned

It requires time and preparedness to get up good copy and effective designs; it requires thought and painstaking effort to prepare the right letters for the right people, whom we must be careful to select from lists made up helter skelter from unsatisfactory sources.

The general result of doing things only when you have to, or leaving it to the time when the printer wants copy, is to produce a slovenly result.

On the other hand, the preparation of copy and designs, in a well planned campaign, is never too far ahead of actual requirements. But we will always take advantage of special conditions while always holding several good things for the days when news is rather dull.

The advertising must be kept alive and interesting. In order to accomplish that, the news events in the life of the bank must be used, also the news events of the day as they affect the financial life of our county or city. All have their part in the advertising.

We want to educate our people in the value of the bank. We know they must know before they will be safe friends. We therefore decide to use supplementary advertising to be distributed to a known list of possible customers. We have seen the necessity of such advertising and we feel that we must do some of it.

What else we do must depend on the size of our appropriation and the bent of our board.

The campaign will depend on another factor no less important than the appropriation; i. e., the kind of public, rich or poor, agricultural or factory, city or town, American or foreign.

The Campaign Will Depend

Having the money in hand, where are the people to whom this institution will appeal?

If it is a savings bank we must go into the newspapers that have the home circulation, because it is in the home where we must look for the savings depositors that count. In addition, the savings bank uses special lists of the school-teachers, professional nurses, doctors, ministers and professions generally.

If a savings bank is in a large city it can appeal to the members of trade unions, clubs, factory hands and the thousands who work for a fixed salary per day, week or month.

The campaign for the savings bank, therefore, must get close to the masses and in large cities will necessarily call for personal work of trained canvassers.

Campaign for a Savings Bank

In the country the savings bank is generally a part of a commercial bank or a trust company, in which case the advertising is generally alternated with talks on commercial banking, for the benefit of the commercial community.

The proposition might be set forth something like this:

Town of 50,000 people.

Factories and retail stores.

Good wages, prosperous.

Bank $50,000 capital.

3 per cent. on savings.

Old bank.

People fairly intelligent.

Our Condition

Amount spent on advertising liberally, $1,000 per year.

8,000 families in contributing territory.

2000 on list of prospective customers.

Two newspapers, both daily, one reaching about 5000 families in the city and surrounding country. Other one a political necessity, very small circulation.

A campaign under above conditions might be arranged to accomplish certain definite results, if divided like this:

a—To get the 2000 possible depositors from the country;

b—To increase the balances of those already depositing;

c—To help the commercial side, by educating the farmer to carry an account and pay all accounts by check.

To realize this we will try a series of twelve distributions of something, one a month for the year. We will allot an average of 32c to each name on the list for the year. That apportionment will give us one or two letters and some cards and folders, as follows:

Some Figures

1st month—letter—2000 at 5c, including postage	$100.00
2d month—card—printing $18.00, post $20	38.00
3d month—folder—printing $35.00, post $20	55.00
4th month—card—printing $18.00, post $20	38.00
5th month—booklet—printing $39.00, post $20	59.00
6th month—letter—2000 at 5c, including post	100.00
7th month—card—printing $15.00, post $20	35.00
8th month—folder—printing $20.00, post $20	40.00
9th month—card—printing $15.00, post $20	35.00
10th month—folder—printing $15.00, post $20	35.00
11th month—card—printing $15.00, post $20	35.00
12th month—letter—2000 at 5c, including post	100.00
	$670.00

The cards will be mailing cards and can be enlivened by the stock cuts furnished by houses making a specialty of such work. The estimate for printing will be found ample; the local printer will be glad to get the work at the prices.

The folders will be little talks on savings, the use of a bank, or some views expressed by the bank officials on local or national happenings.

The booklet will be the regular bank booklet describing the bank, what our bank can do for the community, its depositors, etc.

What We Do Then

The six hundred and seventy dollars leaves us three hundred and thirty to devote to newspaper advertising. We go to the proprietor, because we want to have a little heart-to-heart talk with him. We are going to pay him real money for our advertising, and we want to pay him all it is worth. Of course, we have probably been compelled to refuse him a loan quite recently, mainly because he has forgotten to charge off anything for depreciation, and his equipment is not worth more than the mortgage Senator Brown holds, but let that pass. We want to advertise in his daily. We want to talk it over a little, and have our understanding with him about exactly what this advertising is to do.

We have recently noticed with considerable surprise and pain that this particular paper has been talking carelessly about the way "banks refuse to loosen up when money is tight," not to mention certain socialistic doctrines of "every man's right to have money," and we want to know something about the strike talk that has been the subject of veiled editorial approval.

We listen to the tales of the paper's mounting circulation and the impressive power of its influence.

We are shown the rate card.

We then ask about the rates we hear have been paid by certain foreign advertisers whose checks and drafts have gone through our hands?

Watching the Rates

We are pained to note that they happen to be some fifty per cent. off card rates.

"Special cases—old advertisers," we are told, and yet we gain our point and get the real bottom rates, and we sign a contract for four inches, single column to be run every other day, for one year. We have agreed to pay about $240.00 for the service, and we have also agreed to

be interviewed on financial or commercial matters, at least once a month during the year, for a column or so.

$910.00 Spent

We have now planned $910.00 of our $1.000 and have ninety dollars left for anything special that may arise, and with that amount we may contribute to worthy charities, and issue now and then a special statement as made and provided by the statutes of Uncle Sam.

Having outlined our campaign we can commence to gather material and at our leisure prepare our copy. We may do all of this without interfering with our ever-watchful desire to get into print about all things that affect our particular interests.

We may wish to go to the state bankers' convention. We should go, that much is certain. The visit is more subjective than objective to the small banker—he receives rather than gives.

It is an education for him, and his bank should cheerfully pay his expenses, for the good ideas and wakening up he will get.

An Alabama Experience

Here John H. Frye, President of the Traders' National Bank of Birmingham, Alabama, makes a suggestion on the question of "How Much?" that is interesting: "We have been spending from 1½ per cent. to 2 per cent. of our capital ($100,000) yearly for advertising. Half of this expenditure is made in the daily papers, and the other half is divided between the forms of advertising that we use. We have found blotters a certain way of reaching a large number of people. About twice a year we distribute them to practically every resident, large and small, and every office desk, in the city. Our expenditure for this, and well prepared, printed circular letters is about the largest item next to that for advertising in daily papers. In addition to this, we send out each year a large attractive calendar. We have done very little in the way of giving away memorandum books and other forms of souvenirs, believing that it pays better to reach a man eight or ten times with some inexpensive medium than to reach him one time with a memorandum book or card case, which might cost as much as the eight or ten other communications by mail or otherwise."

Necessity Made a Virtue

That is a sound, sensible business man's way of looking at the problem. He admits he must advertise and he doesn't quarrel with the fact, or try to dodge, or starve it to death, but he faces it and says, "I'll make the necessity a triumph of virtue."

He does.

The Traders' was but 30 months old September 4, 1906, yet in twelve months previous the deposits had increased 119 per cent., which is pretty good increase for a new bank and a new advertising campaign.

Here is another case to show what campaigning will do.

What One Campaign Did

A bank in a small Missouri town recently conducted an experimental campaign of advertising with a view to encouraging deposits from the country people and others who were in the habit of hiding their money or otherwise disposing of it. Two hundred dollars was set aside for the experiment, and after consultation with an advertising specialist who happened to live in the town, it was decided to use single-column, six-inch copy in two weekly papers published in the town.

The advertisements were not remarkable in any particular. They did not even have an illustration, because illustrations cost money, and $200 would not buy very many. The ads told a very simple story, different every week, and were very brief and to the point. The campaign lasted about five months, without a break in the continuity of the advertising. After a careful cast-up of the bank's business it was decided that a trifle over seventy thousand dollars in new deposits had been gained by that bank as the result of the experimental campaign. Only those accounts which could be directly traced to the advertising were credited to it, which leaves the inference that a considerable amount above the seventy thousand had been produced by the advertising.

That success was due primarily to the campaigning spirit of "driving at the same objective if it took all the year."

Same thing Here

The same principle of campaigning has to be used in banking by mail to a degree little understood by the inexperienced.

If advertisements were used month after month in expensive mediums; if the advertisements were pulled out of first one magazine and then another, after a few insertions, and put in others "to try them out;" if inquiries were answered with no regard to race, position or class; if, after two or three feeble attempts at a follow-up, the names were herded together indiscriminately without classification or characterization, there would be little doubt in any mail order expert's mind that the advertiser was innocent of a knowledge of mail order practice and of the plans and methods that have made such great successes of the mail order business of this country.

Not Inspiration But Hard Work

"The inspiration of the moment" will not do for banking by mail advertising.

You must plan your advertising from sixty days to four months ahead to appear in the publications, and you must have your booklets, folders, form letters and systems all ready to take up the inquiries as fast as they come in.

You won't be able to tell at the end of the first six months or at the end of the first year even, whether your banking by mail advertising is a success or failure. You will have to have absolutely accurate records, have them in such detail that you can get a result in an hour to the day, on any line of expenditure that you are making.

It will require sixty days to get such a machine started before the work of advertising can be done to advantage.

After the allotment has been made to the magazine advertising, a decision should be reached on how much will be spent on each name or inquiry—how much for lists, if anything—how much on the safe depositors and how much on the tax lists; what shall be spent on the souvenirs, if anything; what on the calendar and what on the rest of the local campaign.

If we are not careful to have such items as souvenirs and calendars limited, we may find our appropriation crippled by having a fifty to one hundred per cent. increase made in these items by a clever salesman and some sample of unusual appeal.

Stand By Your Campaign

The appeal of the moment may be so strong that it would overcome any set scheme if we did not know that our appropriation would not stand it. In the long run we will find that our set program will win out against the practice of living from hand to mouth. What we lack in occasional brilliancy, we make up in that machine-like hammering, which give me always as against the "inspired moments," that are so brilliant only because they are compared to the darkness before and after.

Do not prepare copy a long time ahead, but get your ideas for copy as far ahead of possible use as you can.

Don't forget your seasonable demands. When your farmer's crops are moving, talk about them, and the money he needs, at the time he needs it. When you know he is getting his money back, talk about your bank.

Little Things That Help

Look ahead and get crop reports and reliable market letters. Put them where he can drop in and see them.

If you are in a city you know what the return for school days means. You ought to prepare for that weeks ahead of time.

You, in Georgia, know when the cotton is going to be ginned; you, in Iowa, when the corn is going to be ready for the market, and you, in the winter wheat belt, when the time has arrived to talk about helping to get that grain to the lake or gulf ports.

All these things are recurrent, just as is the time of year when a New England man must lay in his winter coal, or the Delaware peach grower wants money to help gather his peach crop.

Look at your calendar and you can plan to meet them, just as the New York banker plans to meet unusual calls for cash in October and November, and he expects to get a lot of it back again when the June and January dividend periods come.

Thus, in planning a campaign of advertising we simply get ready long enough before hand to do what we want to do, so that we may lessen the possibility of failure.

CHAPTER XIX

SYSTEMATIZING THE WORK OF ADVERTISING

WHEN MODESTY WAS MADE A VIRTUE—THE CANT OF CRITICISM—THE SYSTEMATIC PEOPLE ARE THOSE WHO CONCENTRATE—THE EGOTISM OF SUCCESS—WHAT IS SYSTEM—DEFINITION OF GOOD SYSTEM—THE WEAK MAN: THE POWERFUL MAN: THE MERELY STRONG—SYSTEM IN HANDLING INQUIRIES—IMPRESSIONS MADE BY A LACK OF SYSTEM—COMPARISONS OF METHODS—SYSTEMS THAT GET FACTS—THE POWER TO LOOK FACTS SQUARE IN THE FACE—THE NECESSITY OF HAVING FACTS AND FIGURES TO CONFOUND THE PESSIMIST—THE ADVERTISING MANAGER MUST PROTECT HIMSELF—SYSTEM SHOULD HAVE NO EXCEPTIONS—THE LESSON OF SYSTEM IS PATIENCE—THE WONDERFUL SUCCESS OF THE "OTHER FELLOW"—PRESIDENT ROOSEVELT'S INSTRUCTIONS TO THE KEEP COMMISSION—LE CONTE'S DEFINITION OF EVOLUTION—THE STRATEGY OF A CAMPAIGN OF ADVERTISING—THE PLAN BASED ON SYSTEMATIZED DATA—WHAT SYSTEMS ARE ESSENTIAL—CARING FOR NAMES OF POSSIBLE CUSTOMERS—RECORDING RETURNS FROM MEDIUMS—A FOLLOW-UP METHOD FORM LETTER SYSTEM—HANDLING NAMES BY LINES OF BUSINESS OR OCCUPATION—RULES FOR HANDLING THE MAIL AND THE FILES—COSTS, STOCK AND LOW WATER MARK RECORDS

MY FRIEND David Graham Phillips once said: "It was a great day for fools when modesty was made a virtue." This epigram opens up so deep a vista of interesting suggestion and comment that I cannot refrain from making it a sort of text for a discussion of the follow-up system in general before I make any suggestions directly on the questions of advertising systems.*

The Cant of Criticism

"Of all the cant canted in this canting world," said Dean Swift, "the cant of criticism is the most tormenting." I trust that I shall not be accused of indulging in the cant of criticism when I say that the criticism of methods that constantly seeks to destroy without rebuilding is weak.

The Jews have been noted as among the greatest traders of the past and present. A study of their methods will impress us with one highly distinctive trait they have, whether it be the sidewalk peddler or the merchant prince, an absolute, indomitable, surpassing faith in their proposition whatever it may be.

They believe that you need what they have, and they make you believe it. Neither can we deny them a place in the Temple of Art and of Science and Literature. In everything they show that marvelous concentration of purpose and performance that are the basis of success.

*Much of this chapter is taken from a series of articles the author prepared for "Judicious Advertising," Chicago.

The commercial science makes for egotism. It cannot be carried on successfully in any other way. It is the brutality of "I will," "I know."

It is brutal because it is frank.

It is winning because it is frank.

Let us consider the fact that the greatest successes in the advertising field have been those who have shown a pronounced egotism, who have not been over-modest in their assertions, and who have let their voices be heard. They have come out into the open and boldly laid claim to the merit of their goods and their methods.

System Produces the Thing When Wanted

System produces the requirements of the hour on the hour. The business man, lacking the egotism that lies inherent in the strong man, lets events push him.

System anticipates events.

The weak man, borne along by circumstance, finds the wrong thing at the wrong time, with the result that his form letters are written while the printer waits; his magazine advertisements are always sent in too late to get proofs; he never knows what he is going to spend until he has spent it, and he changes his advertising manager as often as it is said a woman has a right to change her mind.

That man has no system of thinking, of acting or of living.

Yet you hear him talk the loudest about the advertising failures. His one set purpose in life is to lean on Providence as far as he can, to charge all his blunders to untoward circumstances, and take all the credit of any success to himself.

Power, Strength, Weakness

With the truly egotistic man, however, there is a time to do everything. He knows the how, the when and the where.

He is always sure that he is right before he goes ahead; then he goes.

That is power.

There is another man who assumes that he is right and goes on. He does not know why and he does not care how.

That is strength.

There is another man who wonders why, and wonders how, and wonders where.

That is weakness.

Signs of Weakness

One of the most prolific sources of defeat is the banker's handling of inquiries. I do not mean from the standpoint of printed form letters alone, but in handling the large class of inquiries that have to be personally answered, as they call for special treatment. I have before me a letter making a quotation on a certain bond, sent in reply to an inquiry produced by a magazine advertisement which cost the advertiser $125. The letter paper on which the answer is made is worth about $1.19 a thousand sheets, printed. The envelope is on a par with it. The typewritten work is probably done by one of those young ladies who is occupying the spare time between high school graduation and the time when dear Jack will take her to his flower-embowered cottage, in "doing" typewriting.

The letter is signed with a rubber stamp.

My possible investment in their goods is $1,000.

Such a concern can not do business with me.

Their system is wrong, because they show a lack of faith and poor business judgment—they advertise their economies.

I would have been much more impressed with a $25 advertisement and a $10 presentation of particulars than I am impressed with a $125 advertisement and a 30-cent presentation. I speak of this as a system, as system has not only to do with facts and figures, and cards and records, but with the line of development on which a business is proceeding or retrograding.

Here is a mortgage house whose advertising in a particular medium cost it $42.50. It makes a proposal in response to a special inquiry. The letter head is steel engraved. There is not a misspelled word in the letter. It is carefully spaced, the margins are generous, the ribbon is new, and it is personally signed in ink. The proposition is presented on a special form. I am impressed at once that this concern has a real business, that it really wants to do business, that it is taking its business seriously, and its presentment of its proposition is such as to impress. The system in that house shows on the surface. It invokes confidence because it appears that the proprietors have confidence in their business.

The Egotism of Success

I am impressed again with the egotism that is demonstrated in the successful follow-up systems. The man who knows, and knows that he knows, keeps after me. He is convinced that the advertising he did

brought an inquiry from a man who ought to do business with him. He knows that he is right in his system of advertising his business. Therefore he does not spare expense in the little details by which uncertainty is gauged, and that surety, that faith in himself, that egotism, if you please, has borne in upon me the facts about that man's business and I cannot get away from them.

The Strong Man Who Blunders

Again, here is the strong man. His follow-up is slap-dash, helter-skelter. He sends me two letters precisely alike. He doesn't care how. Instead of sending me a letter fifteen days apart, as he says he does in one of them, they come five days apart. In another letter he says: "Last month I made you a proposition." In reality it was last week. He sends me a ready-printed form letter badly "filled in," and then he inserts my name in a paragraph half way down the dark blue page in a pale blue, "to make it look personal." He makes me suspicious. That is the strong man. He knows not that he knows not, but keeps on doing something.

Here is the weak man. He sends me a badly written, conventionally worded letter, which leaves me uninterested. The letter head is commonplace, the letter curt, and colorless in phraseology and inept. This man is afraid to talk, for he is not exactly sure but what he will make a fool of himself if he speaks out. He *does* make a fool of himself. He has wasted his money for he has bred contempt.

Advertising as a system of getting business cannot stand by itself.

Forms and blanks do not make a system. They are but the outer garments of system—the physical expressions, as it were.

A Definition for You

System is really an attitude of heart coupled with an aptitude of mind and hand, and should be an orderly and logical arrangement by simple processes of the facts and figures of a business, by which is concentrated into clear and concise statements a complete expression of the activities and condition of that business.

It is the result of a will to do and a capacity to realize by logical processes. Back of all effective systems there must be a knowledge of the true principles of business success, of the springs of human nature, and above all things a persistent desire to know the *whole* truth.

Being honest with oneself is not so easy a matter as some believe. If we can look at the defeat of one of our most cherished plans with calm eyes and level brows we have achieved an attitude that is denied to many of the greatest.

We Need Figures

Most of us, at one time or another, have had the task of convincing the officers or the board of the error of their ways.

In every board there is at least one who does not believe in advertising. He is the professional pessimist who, in another walk of life, would be the Devil's advocate at the canonization of a saint, or a successful public prosecutor, or a chief inquisitor. He believes nothing until he has to, and never admits it then.

He is a character the world needs, as a man needs salt in his food.

He serves a useful purpose and we bless him for the bad things he happens to prevent and forgive him the good things he sometimes throttles in their inception.

God gave him leave to live, so let's accept him and make ourselves comfortable.

The Professional Pessimist

This man we have to consider, for some day he gets hold of the advertising account and when he does he does things to it that makes the advertising manager weep.

"Why did you do that?" "Where did that go?" "How do you know it paid?" "Where are the results?" "How do you know we wouldn't have received the business anyhow?"

Perhaps you have heard this a hundred times.

How are you going to stop him?

You can't.

You can, however, give him a dose of his own medicine; hand him some facts and figures on what the advertising has done and is doing, and let him worry them for awhile.

Mind Your Business

Do not let me be misunderstood. It is no part of an advertising manager's business to tell a board "how to run their business," as that term is generally understood.

On the other hand, if the advertising man who can earn $5,000 a year and over, didn't know a good deal about running a bank he would not be worth more than that large army of ad writers who fill a necessary place in the commercial field, but to whom the work of initiating campaigns and policies is fraught with experiment and the uncertainty of chance.

The Advertising Man Who Knows

The advertising manager of experience has been "on the inside" of many different lines, and he has come to realize as few have even among the experienced heads of banks, the importance of having certain preliminaries arranged and planned before setting a campaign afoot.

The advertising manager must be pardoned for offering ideas and suggestions on things that are not strictly within his jurisdiction. You may not adopt the ideas to-day; probably you will do so to-morrow. But many advertising managers, on the other hand, forget that simple formula of business life:

Brains create a job,

Will gets a job,

Tact keeps a job.

The banker is particularly sensitive on the question of his advertising. He will tell you he doesn't know anything about advertising. It is a declaration he doesn't expect you to take seriously, any more than does the Mexican who receives you at the gate of his *hacienda* with the welcome that all his house and its contents are yours.

The Banker Has His Privilege

On the other hand, remember that the banker is paying the bills—the dollars are his, and as long as he pays your salary and you stay, he is entitled to do with the advertising and with you exactly what he sees fit. This may suggest sarcasm, but it is not. It is simply a plain statement of the equities. As that clever pseudo-philosopher of East Aurora has said, "Get out or get in line."

As long as the developing science and art of advertising are matters of personal capacity and intuition to the business world at large, the picture of an expert being guided by a layman will be a phenomenon.

Any system needs the hearty support of the man at the head of the concern. He cannot be above it. He must be the very hub of the system.

I have heard bankers say that there were times when system impeded the progress of things, and (grandiloquently) "when system gets in the way of business, system must go."

Good. Amen! says any advertising man.

But how often do we find that it isn't system that gets in the way, but an officer's failure to obey the first principle of system; i. e., Do a thing when it should be done.

When a proof lies on an officer's desk for three weeks while other matters of less moment are receiving attention, and then the booklet is rushed through the press without a proper reading of proof and the checking of terms, and an error occurs that requires four weeks' delay while it is being reprinted, platitudes about "system getting in the way" are rather out of place.

Systematize Sensibly

The main thing is to systematize sensibly and thoroughly, then work your system, which is sufficiently obvious to arouse no adverse comment.

Again, it is difficult to get co-operation out of some heads of departments. They see the little field they are paid to cover and nothing more. Their idea of co-operation is to get all the help they can, and to give as little as possible.

On one occasion I had the handling of a campaign where the inquiries came to the manager's assistant, who was supposed to "keep his fingers on things."

This young man thought system was an excellent thing—for the other fellow. He never let it interfere with his own peculiar way of handling business. Instead of having these inquiries go through the records, he passed them over to a stenographer to be answered as fancy dictated.

Just One Example

At the end of each month the records showed remarkably few inquiries, and I was puzzled for a time to assign a reason. I then had an assistant look over the mailing table for three days and soon found the difficulty.

It was only after some needlessly harsh things had been said that the necessary change in system was made.

The man of routine does not think, but he thinks he thinks, and that is still more dangerous and demoralizing, as advertising managers will be glad to prove to any officer; because the amount of inexperienced, "What's the use?" "What do you do that for?" "Why can't you do it the way we have always done it?" that the advertising man gets, leaves no room for doubt.

Another

Another thing that interferes with systematic work in advertising is the desire for quick realization. If system teaches anything it teaches patience; to do a thing right as you do it from day to day; to leave no loose ends flying; to have a clean desk, and to know every day "where you are at."

"Patience, patience," should be the cry of the profession, when some officer reads how "Buncko's Hair Restorer," selling at 50 cents a bottle, is selling five thousand bottles a day at an advertising expense of $5,000 a year, and straightway purchases a thirty-dollar-a-week advertising manager to advertise his bank and wonders why $1,000 in advertising doesn't double the deposits in six weeks.

What the Bank is Trying to Do

The plan devised, the copy written, are intended to make and keep the bank's reputation sweet in the nostrils of honest men; it is building for to-morrow as well as today. It is a systematizing of the growth forces of the business.

If a big business must be procured in a short time, let the money flow, let your system start with a full head of steam; put an intelligent man who knows the road and the signals in charge, and give him a clear road. If you tell him to stop at every siding until you get out to see how much coal he is burning, you may rest assured that you won't travel on an express schedule.

Finally, the things that interfere with systems and proper results are many, but the most worrisome and the one that palsies the hand the quickest is the "wonderful advertisements" the other fellow uses.

How clever they always are!

How much better than anything we have done!

Alas! we have heard it so often it is an old story.

Too many "born bank men" look on system as an end.

The Lesson of the Keep Commission

President Roosevelt pointed out this fault when he appointed the Keep Commission to report on the business methods of the government departments. I do not recall his exact words, but in his forceful way he said there were too many men occupying too much time in collecting useless data, making profitless memoranda about things of no importance. The army of government employees seem to consider the collection of a mountain of carefully tabulated documents about cases or subjects of the slightest importance an end to strive for, when it is a work of the most painstaking wastefulness.

The wise banker sees in system only the means by which the facts and figures that shed light on vexed problems of income and outgo are obtained.

Paraphrasing Le Conte's definition of evolution, the banker knows that in the course of business nothing appears suddenly and without cause, but, on the contrary, everything is natural and usually the gradual outcome of a previous condition; and he should know that success in advertising is not chance, but the result of a conscious or unconscious following of natural laws. As we come into a more complete understanding of these laws of the science of advertising we shall better be able to profitably practice the art of it.

This is the rational way of thinking of it, and it allows for a careful and painstaking study of the subject, and weans us away from a foolish faith in the illogical and discreditable doctrine that advertising is two parts chance and one part money.

Free Our Minds from Pettiness

True system, therefore, is intended to free our minds from the petty annoyances of misplaced details, and to insure having at hand certain groups of real facts and actual figures that will always give force and effect to our rational and well-considered judgments.

The advertising manager can not afford to clog his mind with detail.

One's head is like a bucket, as some one has said. It will hold so much. If it is filled with worry it can not be busy with deposit getting. If it is filled with the petty details of dull routine it can not give thought to planning money-winning campaigns, nor kindle the enthusiasm that creates a state of mind.

Any man can arouse attention by the mere brute force of large expenditure, even if he does nothing more than advertise his lack of sense. But it requires strategy to win success with the smallest outlay.

What is Strategy?

It took strategy for Washington to successfully play the fox in the winter of 1779. It took strategy for the Boers to play hide-and-seek with the British on the plains and in the mountains of South Africa.

Strategy lies in using your head as well as your bank account.

The strategy of advertising is the money-winning part of the manager's work. The money is made or lost in the art with which the manager marshals all the resources of his advertising to compel the attention of a blase world and in arousing and holding its interest.

In its last analysis this strategy will generally be found a most prosaic matter of sound sense, backed by facts and figures, and that these

latter were obtained by a most unpoetic machine called a system. Insofar as system furnishes to the manager accurate data on which to base the strategic plan and policy of his campaign, system is useful. Just in proportion as it fails in accuracy in the facts and figures it furnishes, or fails in furnishing the right sort of facts and figures, at the right time, the system is weak or actually vicious, because misleading.

Just Horse Sense

It does not matter what the information costs; if it is not what you want it is expensive.

System furnishes the symptoms from which we may accurately diagnose present conditions and future possibilities.

It is important to foresee possibilities. The Japanese were remarkable for their foresight. They had fought since the Japan-China war over and over again the Manchurian campaign of 1904-1905. Their success was due as much to this wonderful foresight as to the bravery and address of their soldiery.

The system any advertiser adopts must be cut according to his purse. It is foolish to start a good but elaborate system without proper equipment of brains among those who are expected to operate it.

How Much?

True system costs money, but it always saves more money than it costs.

Any firm in business for awhile only has no need of system, for the idea of system is to keep the vital facts and figures of today for the guidance of to-morrow.

The commander of an army must have faith in every part of his machine, or he is hampered by anxiety for the weakest part. He may not know the intimate details of each little unit of that vast army, but he looks to his commissariat to feed so many soldiers for so many days, to his ordinance department to furnish so many rounds for so many days.

His plan calls for the use at top-effectiveness of so many men for so many days.

The Study of an Army System

He must be able to depend on his commanders to have each unit in its place at that time.

In proportion as his machine responds to such faith, so does the commander win his battles in campaigns well planned.

The Battle is Won or ——

Let it be noted, however, the battle is won or lost just as much by the commander's plan, by his ability to see opportunities, to foresee contingencies—the perfection of the machine simply emphasizing the success or failure of the plan.

I dwell upon this because it is the vital need of the profession to plan comprehensively, to organize equipment, experience and knowledge in such fashion as to make them instantly responsive to the quick necessities of the hour.

Even a slight analysis shows this to be true.

The manager wants to know where his material is; hence he has cuts and advertising matter properly indexed.

He wants advertising rates where he can lay his hands on them, and get his advertising to work at once.

He wants the reports of returns so ample in detail that he can tell *what* has failed and *where*, and *when* and if the results give a clue, *why*.

He wants to know what details of "copy," illustration, position, medium, and kind of advertising; i. e., booklet, folder, circular letter, brought the best results in inquiries and deposits.

The System Extends to Office and Solicitors

He wants these facts, and he wants these facts figured out on a basis of costs of inquiries and business; by these he will judge of the value of a straight mail-order proposition, advertising *plus* office co-operation, and perhaps *plus* solicitor.

On these facts and figures he bases his strategy.

The logic with which he combines the facts and figures gleaned by system into a perfected plan; the art with which he makes his separate appeals to the different character of possible customers, and impresses by word and picture these diverse human elements with the desire to bring you their money, are all a result of system working in conjunction with clear thinking and a skilled capacity to make such thinking live in type, ink and paper.

The Necessity for Facts and Figures

In most cases where the advertising manager has to deal with a board of directors, even this art would fail of its most complete realization, if the system could not produce the facts and figures that would move the objector from the typical attitude of chronic skepticism, to a conviction that would make him a champion. If I insist on an advertising manager fortifying himself behind an adequate system, it is

because, as I said before, I have seen too many good men go down in defeat for the reason that they couldn't *prove* that a considerable part of the prosperity of their bank was due to their initiative and talent. Good Men Defeated

Rest assured of one thing: the wise advertising man must put his tag on every good thing he does—every profitable plan and every money-making idea must have his brand burned deep into it, must be made part of a record that may not be ignored, if he is to win and hold the regard of his concern.

As for his failures, they will need no system but the sleepless vigilance of his inferiors to preserve a record that will be constantly on view.

I shall not attempt to give the hundred refinements of system by which the best advertisers develop their data and figures.

I shall give a few suggestions on what should be required by any advertiser. A Few Things Needed

1 Record must be kept of all the names of those with whom you wish to do business.

2 Record must be kept of all the advertising you send to such lists.

3 Record must be kept of all the results traceable to this advertising.

4 Record must be kept of the advertising appearing in, and results from, all newspapers.

5 Record must be kept of all banking by mail advertising done in magazines.

6 Record must be kept of all cuts and copy received and sent out.

7 Record must be kept of the pulling power of different advertising, such as letters, circulars, etc.

8 There must be a perfect record of form letters and enclosures.

9 There must be a record of advertising supplies to determine the activity of any particular kind.

10 There must be a record of the amount of business advertising produces.

11 There must be an easily worked system of handling the follow-up mail.

12 A record must be kept of all prices and quotations.

Publication	Copy No	Key No.
Daily Argus	3	

Date of Issue	Space	Price
Daily	56 lines	1.68 per issue

19	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	COST PER INQUIRY
JAN.																																
FEB.																																
MAR.		✓	✓	✓	✓		✓	✓	✓		✓	✓	✓		9	✓	3	✓														
APR.																																
MAY																																
JUNE																																
JULY																																
AUG																																
SEPT																																
OCT.																																
NOV																																
DEC.																																

Additional Inquiries	Total Inquiries	Cost Each
	Total Inquiries	Cost Each
	Total Inquiries	Cost Each
	Total Inquiries	Cost Each
	Total Inquiries	Cost Each

FIGURE 1

Card for recording newspaper advertising inquiries. This one card being used for one year and all entries to be made each day.

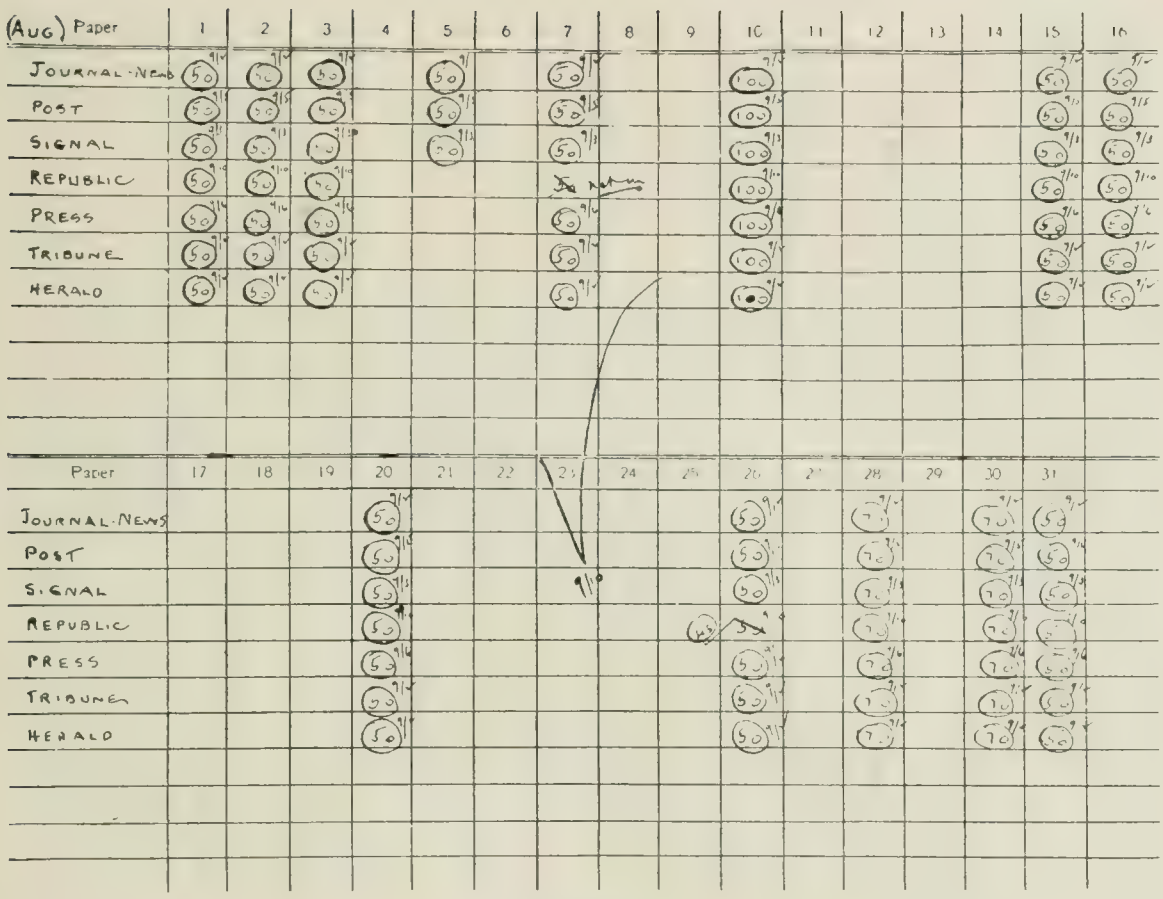


FIGURE 2

After the order is given, it is well to watch the ad from day to day in order to be assured of continued good space, for in the rush of making up a paper, the advertiser who never makes a kick, and who will soon become known in the make-up room as "easy," is liable to be gradually forced into an out-of-the-way place. A correct record of all orders should be kept, giving the name of the paper, contents of insertions and size of ad. This should be supplemented by a file of each paper or a clipping of each ad which, after advertising and labeling, is filed in a scrap book where it may be readily available in case of any dispute. The ads may be checked up as to size and number of insertions with the record order by simply placing a circle around the order. When the bill is paid this may be indicated by placing the date opposite the order. Herewith is reproduced an order card for the month of August as it appears when all ads are checked and all bills paid. Any information concerning it may be ecured at a glance—a saving of time worth considering.—F. W. Ellsworth, Adv. Mgr., First National Bank of Chicago, Ill.

—Courtesy of "The Bank Advertiser."

Publication	Representative
Everybody's Magazine	W R Emery
Street	City: New York

Circulation	Size of Page	Col. Width	Forms close
500,000	Regular	Regular	45 days
Rate	**Discounts**	**Contract**	**Agency**
$500. page	5% 10 days 5% Cash in adv	1 year	Direct

1908	Subject	Copy	Space	Key	Cost		Cost per Inq.	Total Inquiries	Cost Each	Total Accts.	Total Business		Average Accts.		Each Cost	Cost of Follow-up
Jan	4%	Nov 14	1/4p	18	125	-	1/10	93								
Feb																
Mar																
Apr																
May																
June																
July																
Aug																
Sept																
Oct																
Nov																
Dec																
Total																

FIGURE 3

Card to be used when monthly magazines are used in "Banking By Mail" advertising.

Forms to be Used

The forms of caring for the records in handling newspaper and magazine advertising are simple. Figure 1 shows a card for handling all the data of the newspaper space, and Figure 2 illustrates and explains how Mr. Ellsworth, advertising manager of The First National Bank of Chicago, keeps his newspaper record. This system is the one in general use by advertisers. Magazine advertising is handled by a card arranged like Figure 3.

The follow-up of inquiries can be left to the regular form letter method in the banking by mail propositions; but when we are selling bonds, mortgages and stocks, we have a different condition calling for special treatment.

The correspondence in banking by mail work is nearly all alike. It has a set line of development, until the inquirer wants to have a more or less definite set of questions answered. These questions call for special correspondence and should be handled personally.

On the other hand the investor who has money to invest has to be approached with more specific directness and be tried out on many different lines. The investment house may handle a thousand different bonds, stocks, notes, and the investor may buy some of several kinds.

No follow-up file should be used for handling the regular filing of the routine correspondence of the company. It is to be used only by the advertising department to turn inquiries into orders.

Follow-up of Inquiries

Scores of advertising men have tried to obtain a method by which all the letters from a certain inquirer on a certain subject, would come up at a given time and yet be immediately accessible when wanted at any moment before the follow-up date.

When the correspondence is put in files under dates, and a letter is received from the correspondent before the follow-up date, a hunt must be made through the next thirty days for the original letters.

If it is put under the A B C index then all correspondence has to be handled each day for the purpose of following up the particular correspondence. This has been overcome in two ways:

The cards of the prospect files are arranged alphabetically and colored movable metal tabs are used. (Figure 4.)

At the top margin of the card are the dates 1 to 31.

The tabs are placed over these numbers. In the illustration the first card will be followed up on the 16th of the month. The tabs are colored,

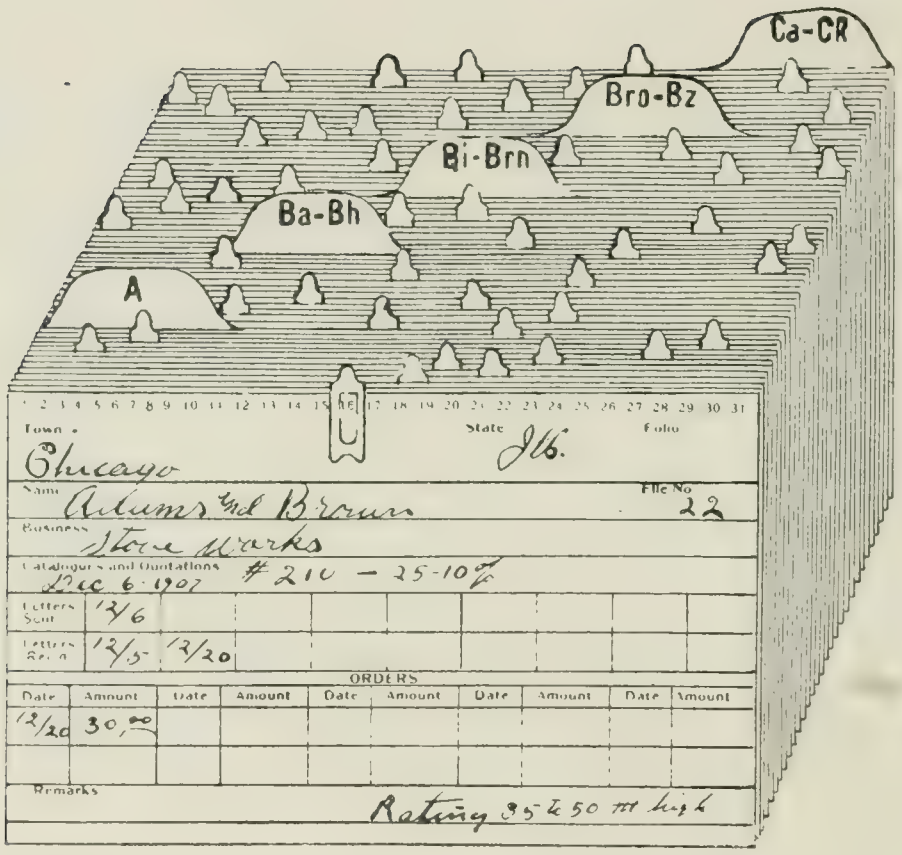

Ca-CR
Bro-Bz
Bi-Brn
Ba-Bh
A
Town
Chicago
State
Ills.
Folio
Name
Adams and Brown
File No
22
Business
Stone Works
Catalogues and Quotations
Dec 6 1907 #210 – 25-10%
Letters Sent
12/6
Letters Rec'd
12/5
12/20
ORDERS
Date
Amount
Date
Amount
Date
Amount
Date
Amount
Date
Amount
12/20
30,00
Remarks
Rating 35 & 50 M high

FIGURE 4

blue, red, white, black, yellow and so on. These colors have a meaning: Green, farm mortgages; yellow, gold certificates; blue, banking by mail and so on, an arbitrary arrangement, of course.

The Use of a Color Scheme in Follow-up

This color scheme permits of selecting a list of names at any time for special offers, without figuring every card in the drawer. Frequently this same color scheme is used in the stock of the card itself, so that the identification may be used after the follow-up has expired and the metal tab removed.

When the 16th arrives, the clerk removes the cards, passes them in a card tray to the filing clerk, who attaches the card to the correspondence removed from the general files.

This correspondence for the day's follow-up then goes to the correspondents, who dictate special letters or indicate form letters to be sent. The carbons, or copies of the letters are attached to the previous correspondence, entry is made on the card, the tab is moved ahead to the next follow-up date, and the card returned to the file, and the correspondence to the filing clerk.

This makes a cumbersome method, but insures personal attention.

Another method is shown in Figure 5, by which the correspondence relative to any particular class of business is retained in a vertical file drawer, with an A B C index. When you handle 25 to 50 inquiries a day, a 25-division guide is enough; 50 to 100 inquiries, 40-division; and so on, the guides running about half the number of inquiries.

A Filing Method

Suppose a letter is received from John Anderson on December 21. It is answered and a carbon attached and filed in front of "A" index, in a folder marked "A." On the margin of the letter the clerk stamps with a rubber stamp the follow-up date, "Jan. 1, 1907."

If you receive an answer from Anderson before January, you look in "A" and quickly find it. If you do not get an answer, your clerk going through the index each day finds Anderson on Jan. 1; you then take his letter and give him another treatment, attach carbon as before, stamp the next date, "Jan. 13, 1907," file it and proceed as before.

This system was devised by an expert* who had given it the severest tests of actual practice, and it is much less cumbersome than the system first described.

*Isaac Wagemaker, Grand Rapids, Mich.

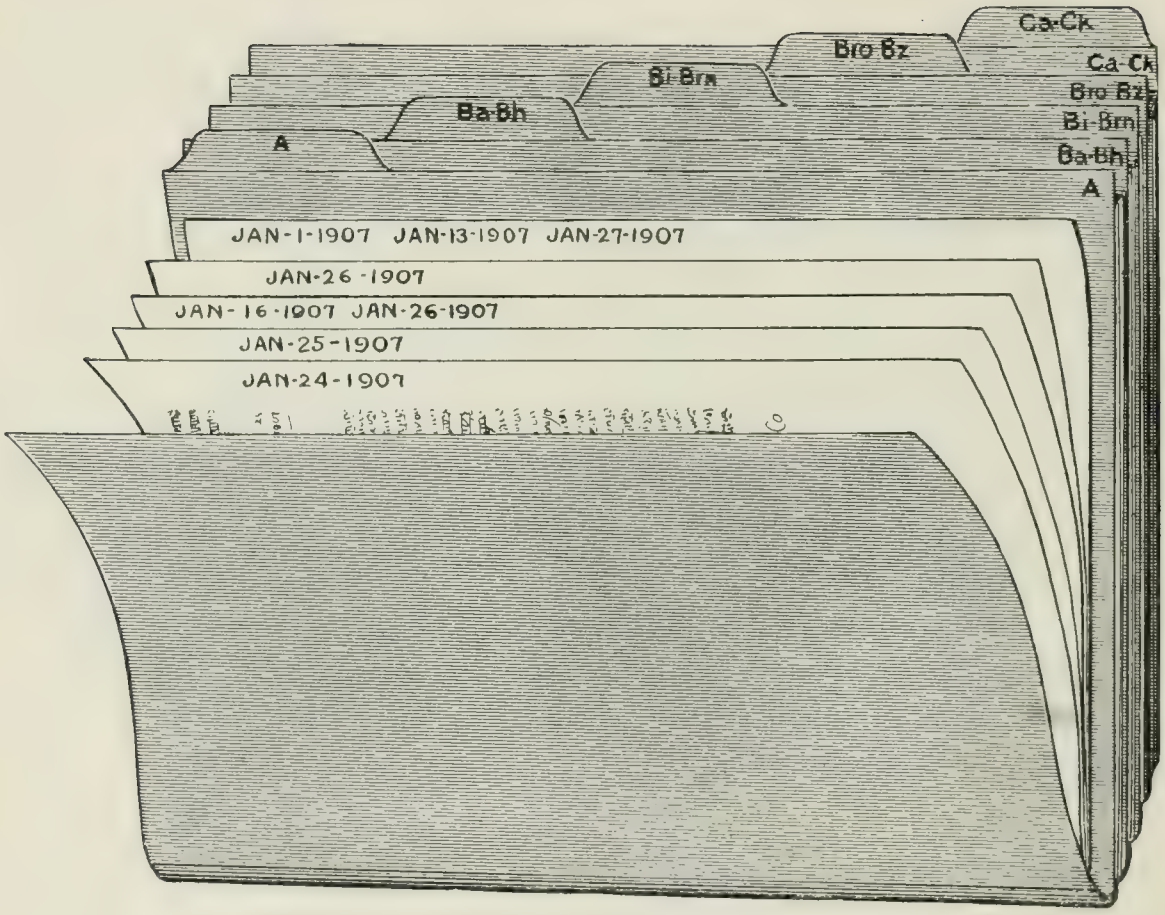
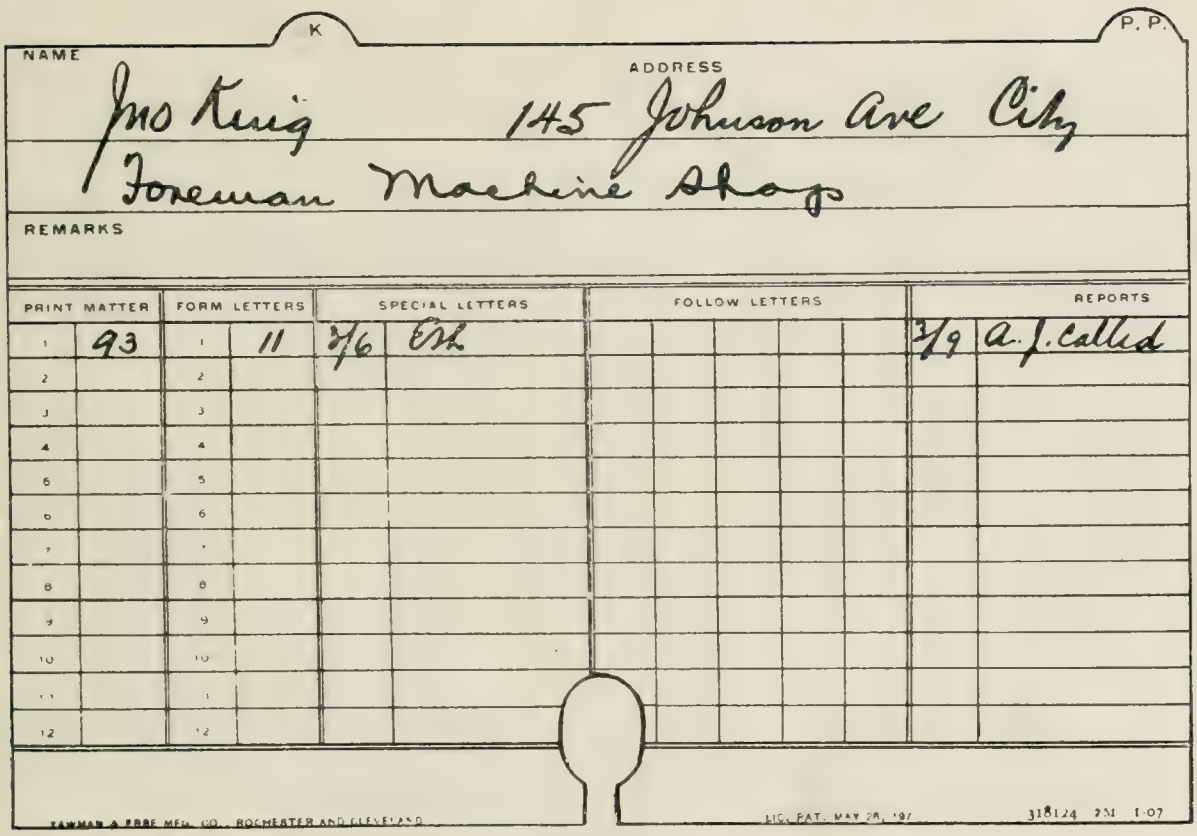

Ca-Ck
Bro Bz
Bi-Brn
Ba-Bh
A
Ca-Ck
Bro Bz
Bi-Brn
Ba-Bh
A
JAN-1-1907 JAN-13-1907 JAN-27-1907
JAN-26-1907
JAN-16-1907 JAN-26-1907
JAN-25-1907
JAN-24-1907

FIGURE 5



K P. P.

NAME Jno King

ADDRESS 145 Johnson Ave City

Foreman Machine Shop

REMARKS

PRINT MATTER		FORM LETTERS		SPECIAL LETTERS		FOLLOW LETTERS					REPORTS	
1	93	1	11	3/6	Esh						3/9	A. J. called
2		2										
3		3										
4		4										
5		5										
6		6										
7		7										
8		8										
9		9										
10		10										
11		11										
12		12										

TAWMAN & FREE MFG. CO., ROCHESTER AND CLEVELAND LIC. PAT. MAY 28, '97 318124 2M 1-07

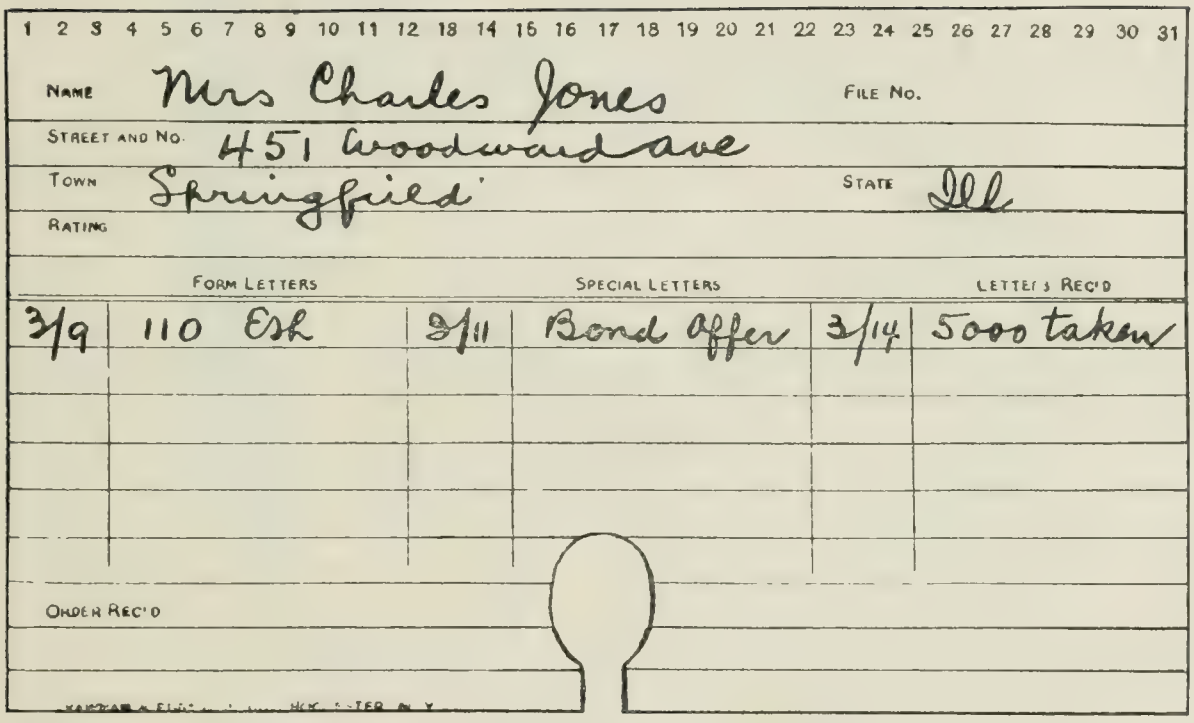
FIGURE 6

This is a record of advertising sent to a possible customer. Make the space for a piece of advertising and a form letter for each month of a year. There is room for "special" and "follow-up" letters, and a place for "remarks," under which dates of answers or replies may be shown together with suggestions.

INDIVIDUAL						KEY
Johnson						
FIRST NAME						RATING
Elias						
STREET			TOWN & STATE			
119 Brown Ave			Phila, Penna			
DATE MAILED 1908		LETTERS SENT	PRINTED MATTER	ANSWERED		REMARKS
3	9	# 14	Little Money Bank			
3	14	# 7	Why Bank Here	3	19	Deposited

FIGURE 7

Same form of card to show what you did with your list of names. On the back of this card is a plain ruled form to show the average amount carried by months for one year.


1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

NAME Mrs Charles Jones FILE NO.

STREET AND NO. 451 Woodward ave

TOWN Springfield STATE Ill

RATING

FORM LETTERS		SPECIAL LETTERS		LETTERS REC'D	
3/9	110 Esh	3/11	Bond Offer	3/14	5000 taken

ORDER REC'D

FIGURE 8

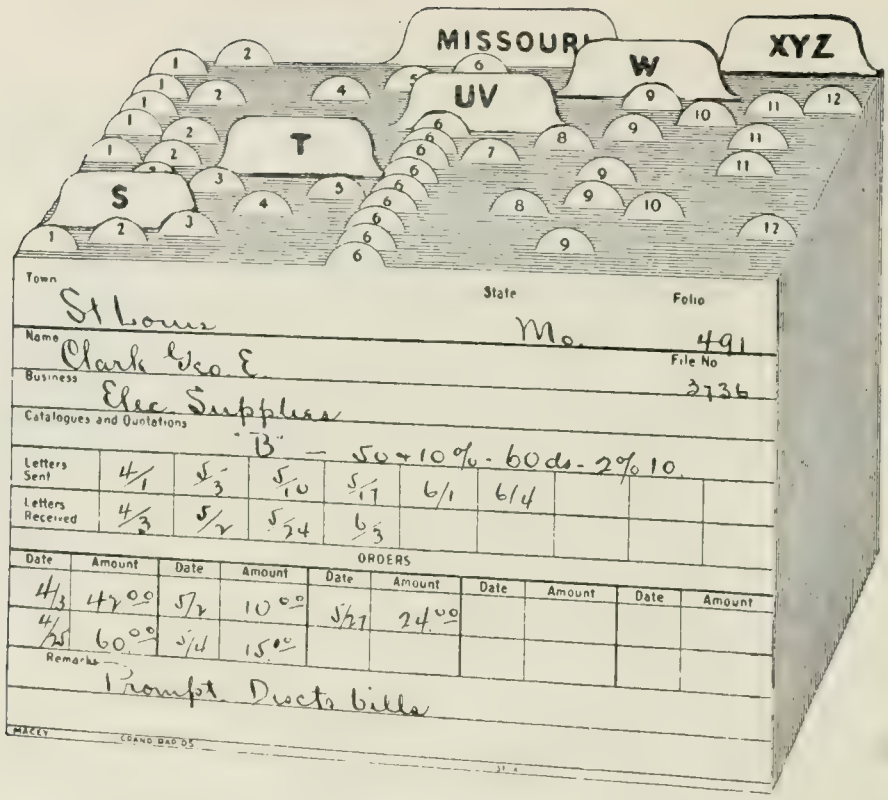


FIGURE 9

Furnished with a practical form of ruling for indexing customers and "prospects." When filed alphabetically, the card serves as a convenient mailing list and index card. When filed with state and town guides, the card serves as an excellent index of all trade in each locality and permits posting traveling solicitors regarding all depositors and interested inquirers. This card can also be used with tabs numbered 1 to 12, which may serve as a cross index of trade according to the line of business.

When the follow-up is mechanical, simply a series of form letters requiring no special dictation except in the case of specific inquiries, resulting as above, Figure 4 can be used without removing the card from the files except to enter the number of the form letter and date, moving the tab, etc.

Other forms of cards are shown in Figures 6, 7 and 8.

Series of Follow-up Letters

Follow-up letters must be arranged in series. There should be a series to go to general lists that have never inquired, and an entirely different series to go to inquiries from magazine advertising, and a new series to follow-up those who have asked for information on certain specific lines.

I have been using follow-ups with as high as one hundred and twenty different letters, arranged to meet requirements of forty different classifications of inquiries and lists of names.

I find that the finer you cut the classifications and the more definite the letters the better the returns.

The tab method (Figure 9) of indexing the business or the character of investment of a Possible Customer makes it easy to get the right follow-up to him, even through the agency of eight-dollar-a-week girls. When a girl has been instructed that "Series J, consisting of letters 4, 19, 63, 104" goes to all tab-3 cards, it leaves little for her to do except to send the letters out in the rotation the system calls for.

The tab card style of signature card may be used for banking by mail. For instance, Figure 10 shows a tab signature card with "6" on the tab. If this same tab should be used for every banking by mail customer, it would be easy to go through the list of customers and identify every customer who had been added through the banking by mail advertising. Frequently this would offer very satisfactory proof of success or failure, in times of argument.

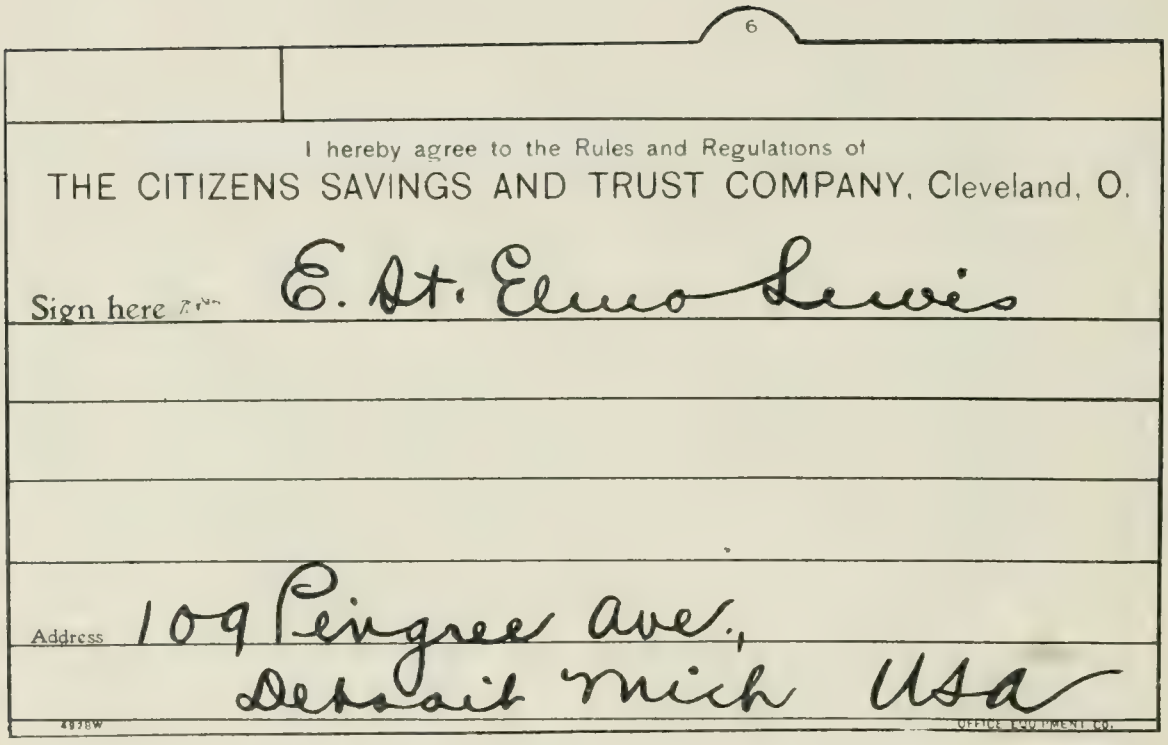
Metal Tabs

The use of metal tabs as described in relation to Figure 4, is not prevented by the use of these tab cards.

There are a few obvious rules in handling details:

1 Have one person responsible for the filing and have one place for files of all descriptions.

2 Make every man who takes a paper out of the files, take all the papers relative to any one article, and give a receipt for the papers he takes.


6

I hereby agree to the Rules and Regulations of
THE CITIZENS SAVINGS AND TRUST COMPANY, Cleveland, O.

Sign here E. St. Elmo Lewis

Address 109 Peingree Ave.,
Detroit Mich USA

4978W OFFICE EQUIPMENT CO.

FIGURE 10

LEVEY BROS. & COMPANY

MEMOGRAM

ALWAYS ASK WHEN IN DOUBT

SENT 12/10 '08

READ—IMMEDIATE ATTENTION MUST BE GIVEN THIS MEMORANDUM.
IF EXECUTION OF REQUEST OR INSTRUCTIONS GIVEN HEREON ARE IMPOSSIBLE NOTIFY SENDER AT ONCE

TO ABC

Report how many #128 booklets in stock!

Rmm.

FIGURE 11

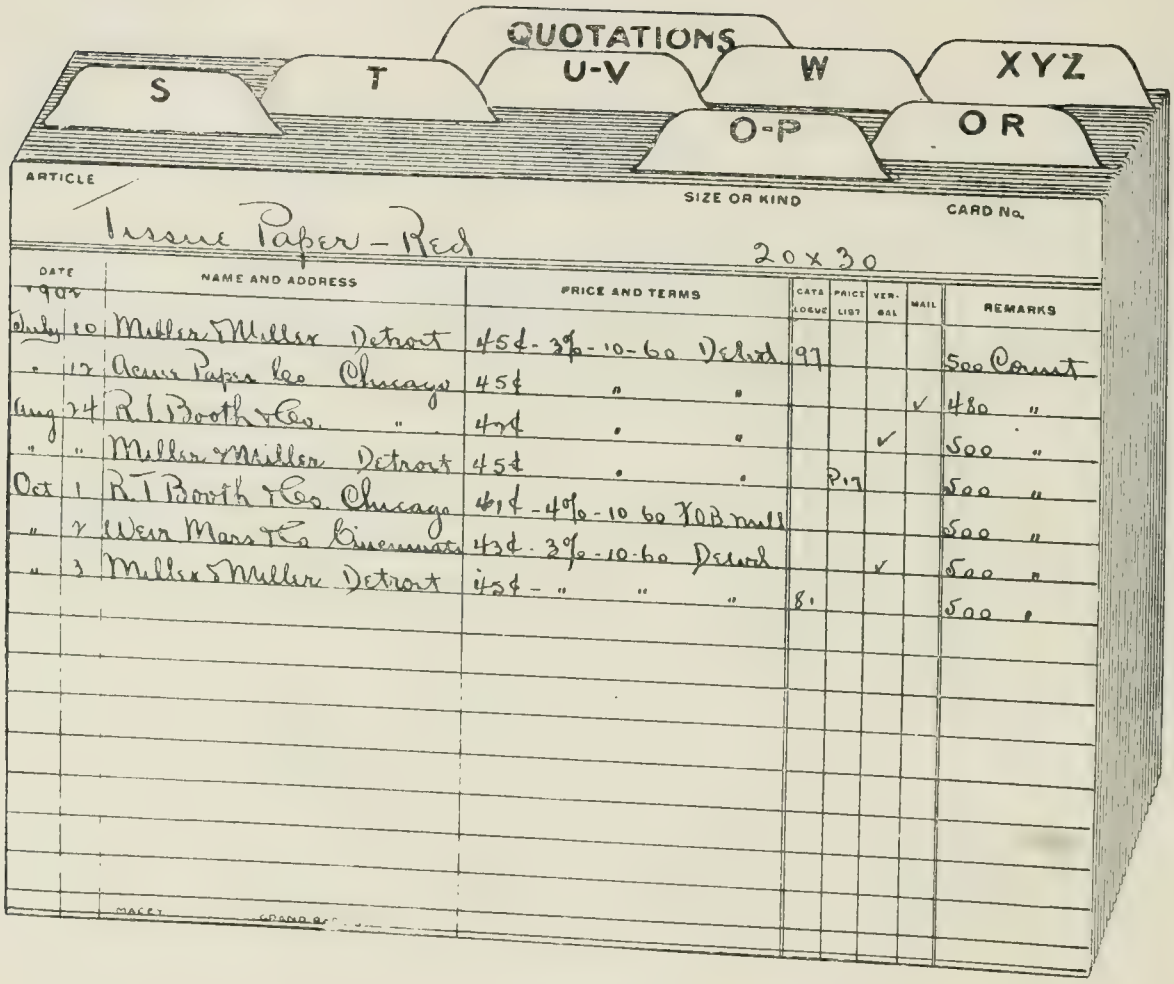
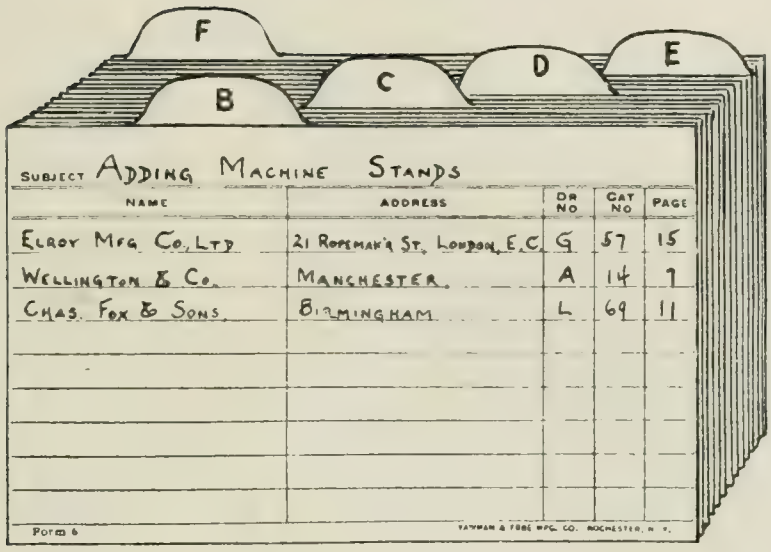


FIGURE 12

Arranged to record notations received, including date, address, file number, price list or catalog page, size, kind of material, etc. Facilitates intelligent buying by presenting in condensed form the essential information necessary. A comparison between two or more notations on the same commodity and ready reference to the catalog or list on file, permits placing orders on short notice to the best possible advantage.


F
B
C
D
E
SUBJECT ADDING MACHINE STANDS
NAME
ADDRESS
DR NO
CAT NO
PAGE
ELROY MFG. CO. LTD.
21 ROPEMAKER ST. LONDON, E.C.
G
57
15
WELLINGTON & CO.
MANCHESTER.
A
14
7
CHAS. FOX & SONS.
BIRMINGHAM
L
69
11
Form 6
TAYMAN & TEBBE MFG. CO. ROCHESTER, N. Y.

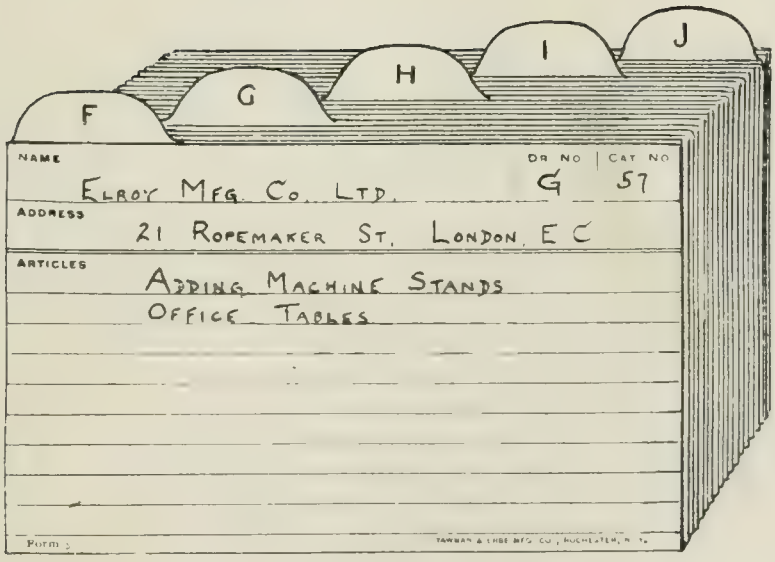

F
G
H
I
J
NAME
DR NO
CAT NO
ELROY MFG. CO. LTD.
G
57
ADDRESS
21 ROPEMAKER ST. LONDON, E C
ARTICLES
ADDING MACHINE STANDS
OFFICE TABLES
Form 5
TAYMAN & TEBBE MFG. CO., ROCHESTER, N. Y.

FIGURE 13

Form No. 226 A

Title	Banking by Mail	
Date 3/11/08	Edition No. 4th	Quantity 15000
Printer	Gonday & Cross	Cost 350.00
Engraver	" "	Cost 94.65
Envelopes	" "	Cost 30.00
Artist	" "	Cost 143.00
	Total Cost	$617.65
	Cost Per Copy	.044

FIGURE 14

How to Keep Track of Details

3 Have a system for filing and do not multiply your "exceptions." If you file by names of concerns, file that way and no other. Correspondents will then govern themselves accordingly. If you file by subject insist on having subjects given, and when your correspondents fail to give subject, write it on the letter.

4 Do not encourage the practice of having letters addressed to certain persons in your employ. All mail should go to one person, be opened, stamped with a time-receiving stamp and then distributed.

5 All envelopes bearing a key number should be attached to the contents; all letters of inquiry should be attached to the envelope. This method will frequently lead to the identification of addresses, which would remain unsolved if the envelope be thrown away.

6 The postmark on an envelope is very important in law suits, and especially in financial dealings where the loss of a day or night may mean the loss or gain of thousands of dollars.

7 No orders should be given between departments except by note. The absolute rule should be, "Oral orders don't go." By having a simple form printed like Figure 11, and requiring that copies be given all officers or employees interested, orders are not likely to be misunderstood, or worse, forgotten. A copy should be retained and filed in a file for "Interdepartment Correspondence," and a note made on the papers to which the order relates. When it is understood that no one from the president down has a right to execute an order that in any way involves a change in routine or the obligating of the concern, unless a specific order is obtained for it, there can be no objections.

8 Every desk should have a wire basket, kept in one place, preferably a 3-deck basket, each department labeled with one of three labels, "Outgoing Mail," "File," "Messenger"—these explain themselves.

9 The correspondent should indicate by a check mark, or a ring about it, the name of the person or firm under which he desires a letter to be filed.

10 No letter should be filed until it has the initials and date or the word "File" with initials, on top, and carbons attached.

11 Letters should be filed, heads one way, facing one way, and in chronological order by the dates of the letters or that of the house; but not some one way and some another, as the house may rule.

6

Name Banking by Mail

Low Mark 5000 Exhaust

Form Number 226A

Used by Adv Dept

Cost 350.00

Bin No. 19

Date	Ordered	Of whom	Received	Used	By whom	In Stock
3/21	15000	C+G	15231	3/24 231	Adv Dept	15000
				3/29 500	" "	14500

FIGURE 15

358 1M—3-12-07 W.Co. 3742

ADVERTISING & PRINTING SUPPLIES

LOW WATER MARK

Advertising DEPARTMENT:- Date 3/7/08

The following supplies have reached the low water mark. Please place your orders with the Advertising Department at once.

	ON HAND	LOW MARK
Banking by Mail - booklet	3945	5000

SIGNED: E. J. Turner
Supply Department

All Orders for Printing of any kind must be handled through the Advertising Department

SUPPLY ORDER

Date 3/14/08

ADVERTISING DEPARTMENT:--

Please order the following supplies:--

20,000 Banking by Mail

We use 30 M of these every six months

Department

Per Estelmo Lewis

No Order for Supplies can be accepted unless signed by Head of Department or Deputy

The above named supplies have been ordered from C & G

ADVERTISING DEPARTMENT

WWM Order Clerk

FIGURE 16

from the BURROUGHS
ADDING MACHINE CO.
DETROIT, MICHIGAN, U.S.A.
BRANCHES IN ALL PRINCIPAL CITIES

Levey Bros & Co
Indianapolis Ind

PREPAID

718--2M--1-08--GRAHAM 38940--GENERAL P. & S.

Shipped 3/19 1908 the following

articles by Mail ~~Special Del~~ ~~Exp.~~

Signature of person checking shipment (E.R.)

Addressed to Levey Bros & Co
Indianapolis Ind

Each cut or article must be checked off by person signing this duplicate slip.

FIGURE 17

Quotations must be retained in all cases as a guide to future orders. Figures 12 and 13 show an elaborate quotation file with cross index.

Figure 14 shows a cost envelope, which serves several purposes. Copy of the printer's order, engraver's order, copy of the completed job, quotations from other printers and engravers on the job, all go into that envelope. By filing these envelopes according to form number of advertising, the new form numbers are cared for, and a complete record of costs, quotations and form numbers is obtained.

Figure 15 shows a stock card, which is used by the stock clerk in handling a perpetual inventory. The record should be maintained so you can tell at any time how many pieces of any kind of advertising is on hand.

Figure 16 is used to warn the department when a piece of advertising has reached the low-water mark; i. e., the supply will probably last no longer than the time it will require to get a new supply.

Cuts are being sent out to newspapers and magazines. Figure 17 shows how a carbon copy is retained so there can be no question about the address, who made it out and who packed the shipment.

CHAPTER XX

THE MAIL-ORDER IDEA APPLIED TO THINGS FINANCIAL

REASONS WHY THE IDEA IS GOOD—BRIEF HISTORY OF THE GROWTH OF THE METHOD—FACTS AND FIGURES ABOUT OUR SAVINGS METHODS—NEED OF EDUCATION IN SAVING—THE BEGINNINGS OF THE CLEVELAND (OHIO) TRUST COMPANY—HOW IT HAS GROWN TO A TOTAL OF OVER 70,000 DEPOSITORS—THE PART FOUR PER CENT AND MORE HAS PLAYED IN THE BANKING BY MAIL ADVERTISING—THE PEOPLE'S SAVINGS BANK OF PITTSBURG, PA., THE FIRST TO APPLY THE PRINCIPLE—THE REASONS BY EDWARD M POWER, JR , WHO PREPARED SOME OF THE FIRST CAMPAIGNS—THE OPPOSITION OF THOSE WHO, NOT KNOWING, CANNOT UNDERSTAND—HOW A BANKER IN A SMALL CITY IN ILLINOIS SAW THE LIGHT—WHY CAN FOUR PER CENT BE PAID—WEAK REASONS BY THOSE WHO PAY IT—IGNORING A GENERATION OF THREE PER CENT BANKING—HOW THE SMALL COUNTRY BANK CAN APPLY THE IDEA—HOW LITTLE BANKS ARE DRAWING MONEY AWAY FROM BIG CENTERS—THE SMALL ADVERTISEMENT IN THE LARGE PUBLICATION—THE KIND OF MEDIUMS TO USE—WHAT TO SAY—THE PROPOSITION WE MUST MAKE—THE PLANNING OF A CAMPAIGN—HOW TO HANDLE THE INQUIRY—ANSWER QUESTIONS—DONT DODGE THEM—THE FOLLOW-UP OF A FIVE OR SIX PER CENT PROPOSITION—CONFIDENTIAL INQUIRY BLANK TO GET INFORMATION ABOUT YOUR POSSIBLE CUSTOMERS —FIND OUT WHAT THE POSSIBLE CUSTOMER WANTS TO KNOW AND GIVE IT TO HIM—ANSWERING LETTERS BY FORM PARAGRAPHS—KEEPING IN TOUCH WITH DEPOSITORS—CERTIFICATES OF DEPOSIT PLAN—FORM LETTERS USED BY LEADING BANKING CONCERNS—FOOLISH CRIBBING OF BANKING-BY-MAIL ADVERTISING—COMMENT ON TYPICAL BANKING-BY-MAIL ADVERTISEMENTS—THE USE OF THE COUPON-BOOKLETS USED BY MAIL ORDER BANKS—HANDLING YOUR LISTS —CLASSIFICATION OF LISTS—FORMS OF DEPOSIT TICKETS—SOME SIMPLE RULES FOR HANDLING THE DETAIL

IT IS A fact that if the local banker will not advertise to his local public, the foreign banker will do so.

Banking-by-mail in some form is here to stay.

It is here for four reasons:

Why Banking by Mail is Here

(a) Because banking facilities are not widely enough spread to take care of the banking needs.

(b) Because all banks do not enjoy the highest confidence, and the local depositor wants to do business with a big bank.

(c) Because an account in a distant bank is not the subject of gossip and neighborhood information.

(d) Because some centers cannot give the returns on savings deposits that another may.

There are several branches to the mail-order plan as applied to financial matters. I shall deal with them in series.

1 Banking by mail.

2 Selling stock by mail.

3 Selling investments by mail.

The banking-by-mail idea is not an old one, but the application of the mail-order advertising to the selling of stocks, bonds and investments is older than any other style of advertising.

Like most things in advertising, the respectable element had to take the instrument of the fakir and charlatan and make it their own.

First Attempts

The first attempts were disappointing, as all first attempts are likely to be. The people were coy and refused to be caught with anything less than 10 per cent. a week. People would gamble, but they would not invest.

You could catch them with promises of fabulous returns, but not with a paltry 4 per cent. a year. The result was that the first banks that advertised by mail had a hard time making it pay.

Gradually the reasonableness of the idea and force of the appeals of the advertising came home.

The results commenced to appear, and soon they came in greater quantity. Depositors who started with $5, $10 or $20 in an account and after six months got their money and interest as promised, put in a bit more and frequently withdrew savings from the no-interest banks or the 3 per cent. savings accounts, and soon the mail-order bank had a very profitable line of accounts.

The big success has, however, come only to the few who have continued to do their advertising carefully, persistently and consistently. The failures have been many, among those who have done the thing badly, haltingly, falteringly, with stupid copy and ineffective displays in poorly selected mediums, and after senile or immature plans.

The result has been a disappointment to unduly inflated expectations.

Banking by mail is a business proposition; it has succeeded only when it has been treated as such.

It is an educative proposition.

He is Educating the Public

The banking-by-mail advertiser is educating his public to see the value of banking; he is doing a work for the good of the business world; he is bringing the idle, dead money into circulation, because the local banker has failed in the attempt and his duty.

We have 15,355 commercial banks in the United States, or one for every 5,500 of the populataion, which is nearly sufficient to meet the commercial demands of the people.

The savings banks are, however, comparatively few.

Sixty-five per cent. of our total of $2,900,000,000 is in the pockets of our people, or in home-made strong boxes, buried and kept there, for the lack of education.

This vast amount is not working at any time. Our great enterprises are carried on by the remaining 35 per cent.

Just One More Dollar Apiece

If only one dollar per capita were taken from the stocking we would have $83,000,000 more at the call of business progress and expansion.

We need education, it would seem, in money uses and purposes.

Money is a medium of exchanging one thing for another.

It is the common denomination to which we may reduce all market values.

We must teach the people that they can be worth more by making money do things, keeping it at work, in transferring unprofitable commodities to profitable.

This educational process some bankers are talking of turning over to the Government by means of postal savings banks.

That, too, is a doubtful expedient, to take the place of advertising and proper education. It will not get at the root of the evil. People will undoubtedly deposit their savings more readily with Uncle Sam than with the best private or corporate institution, but the ignorance of sound finance and money sanity will remain a menace and to be enlightened.

We have but 1,237 savings banks.*

We need more.

The public is willing and postal savings is a possibility of the near future.

Distrusts the Banker

The wage-earner is very frequently, in fact, generally, totally ignorant of banking in all its forms. Thousands do not trust the bankers at all, hundreds have an active and aggressive suspicion of them, and labor unions have actually preached against them.

The attitude of hundreds has been one of suspicion and criticism, and we have done little to relieve it.

*1907.

The Prejudice They Fought

The large institutions in central cities, who have come out in national mediums and advertised for savings deposits have had all this prejudice to overcome.

To have a glance over the signature cards and the correspondence of these banking-by-mail banks would be a revelation to some of those who have been so little in touch with actual conditions in this latter-day development, as to have little knowledge of the work that is being done and the marvelous results that are being obtained.

In some of these letters from depositors we read brave attempts to obey the law of saving; again, we see ignorance and illiteracy struggling for expression. Letters come badly spelled, almost indecipherable, on scraps of paper, in odd and peculiar envelopes.

The Lessons We Learn

Money has been sent in old cigar boxes, tin cans, baking-powder boxes, leather pouches, wrapped in newspaper; other money dating back forty and fifty years, showing that it had been long hoarded, came in an old reticule, worn by grandmothers long dead.

We hear the quavering tones of age through the quivering, shaky handwriting of senile fingers.

Here is a man who has made his mark, and a cramped schoolboy hand has written the father's name.

All of these things show that the mail-order bank is drawing the old, time-lost, dead money from its hiding place to make it accomplish its first purpose in the service of the social order.

A single statement of fact will serve to show what one campaign accomplished.

Probably the largest and most persistent banking by mail advertiser in the country is the Cleveland (Ohio) Trust Company.

Recently the following appeared in "Leslie's Weekly," and it is correct:

Some Interesting Facts

> Eight million persons in the United States have on deposit in savings banks three hundred million dollars. Six per cent. of all this money is in the banks of the city of Cleveland. Although Cleveland's population is only one-half of one per cent. of the population of the whole country, the metropolis of Ohio holds in savings $185,000,000, or more than 6 per cent. of the country's total savings bank deposits. In the proportion of this fund to the number of people, the largest city of the Buckeye State far surpasses any other American or foreign community. Cleveland is the savings city of the world. The reasons for this condition and its effect involve the same important and interesting facts.

Some Facts

Not long ago a deposit came to a Cleveland savings institution all the way round the world from Bangkok, India. Another came from Shanghai, China. Hundreds of them have come from the Philippines. Money for savings has been sent to Cleveland from every country of Central America and half of those of South America. Cuba, Porto-Rico and Hawaii have contributed. England, France, Germany, Italy and Spain have all sent money to be kept in the savings banks of Cleveland, O. Accounts have come to these banks from two of the countries of Africa. Every State in the Union and four of the provinces of Canada have persons who are depositors in the Cleveland savings banks.

You will ask two questions: "How does it happen that these deposits from all parts of the globe are attracted particularly to Cleveland?" And the other question is: "Why does Cleveland hold such a large percentage, proportionately, of the savings bank deposits of the United States?"

The answer to the first question is: The spread of the banking by mail idea; and the answer to the second question involves the commercial condition of the growth of Cleveland itself, by which its savings banks are enabled to pay 4 per cent. on deposits, while the savings institutions of New York, Chicago, Philadelphia, Boston and other cities dare not pay usually more than 3 per cent.

The writer of the above did not make his point clear when he answers the question. Why? I would have answered that simple question with a simple answer—Advertising.

If They Had Not Succeeded

If the banking-by-mail idea had not spread to the four quarters of the world; if Cleveland banks had paid three per cent. instead of four; if she had not done the best banking by mail advertising that has yet been done, she would not have received this lion's share of the surplus savings of the country, and so much from the world at large.

Familiar as I am with the first steps made by the Cleveland Trust Company in 1895, its growth in deposits and resources has been phenomenal. While all of its success can in no sense be ascribed to its banking by mail work, yet this one part of its many advertising activities but serves to point the moral that advertising pays a bank.

In all Parts of the World

It has depositors in every State in the Union, China, Philippines, Cuba, South America. Recently it reported a grand total of 70,913 depositors.* This has been accomplished in twelve years, and without consolidations or other fictitious methods of swelling business comparisons.

There are other conditions besides the matter of the 4 per cent. interest that make the mail-order proposition a popular one for banks. A writer in a daily paper recently admirably summed up the reasons for this success:

*1907.

Banking by mail is a feature of American financial life that has received its highest development in Ohio, and especially in the city of Cleveland. The vast bank deposits in that city are attracted there from many other States because of the 4 per cent. rate that is paid on savings deposits. **Some More Facts**

The American people are the least parochial in the world in their business habits. Londoners, it is said, are still averse to using the telephone and there are old banks there which will not tolerate a typewriter in their establishment.

But the Americans rather prefer a novelty to something they are accustomed to, provided the novelty is the least bit better. Moreover, they look abroad; they are not nailed down to their own town or community. They read the advertisements in the magazines that come from New York or Chicago, and if any article displayed therein strikes their fancy they straightway send to the maker or distributer in the distant city and by express or mail the article comes to them. In other words, the Americans are extremely modern and put to use every modern facility and invention. About all that can be gotten out of the railway, the trolley, the telegraph, the telephone, the federal postoffice, they get. They all everywhere read the same papers and periodicals that the inhabitants of the great cities read, and, like the latter class, will be attracted by a good bargain, even if the place of it be half across the continent.

Modern facility of intercourse, physical and mental, has brought this state of things and of mind about. Accordingly, the average American will not jump when it is suggested to him to do his banking by mail, to make his deposits in an institution of an Ohio city. Instead, the novelty of the proposal will interest him; he will be keen to learn how the thing can be done, what inducement in the way of advantage to himself there is in it, and all the rest of the matter. He will want to be shown, in short.

Half America reads newspapers which are not edited at home; half America does some portion of its shopping in cities more or less removed. Therefore it is not a revolution in habits which is proposed when the American is asked to bank with a great Cleveland financial company; on the contrary, the proposition is a logical supplement to his other habits; it looks to completing him as a citizen at home, not merely, say, in Elgin, Ill., but in the whole broad United States. **America Does Business Away from Hom**

Chicago has invented shopping by mail, and it is the distinction of Cleveland that she has invented banking by mail. Chicago is the birthplace and home of the mail-order house, whereby hundreds of thousands of people all over the Middle West without the necessity of leaving their small towns or farms are enabled to shop in the city, to get city goods at city prices, to avoid paying the jobber his profit and the retailer his.

What Chicago has done for distant shoppers, Cleveland has done for money savers. If one can with satisfaction shop in town, with equal satisfaction can one bank. Indeed, this last point has been perceived by the great mail-order houses, who are opening savings departments and asking their customers to bank with them. But, if it can be to the advantage of country people to deposit their savings with people in town, who, however honest, are not bankers by profession, then how much more to their advantage to bank in town with financial institutions, which, in addition to financial expertness and experience, possess the security imposed upon them by the law.

The city of Cleveland, Ohio, has produced that sort of an institution, and has developed banking not merely for its own county, or for the Western Reserve, but for every one, everywhere. And in order to become a bank of universal deposit, as it is, the Cleveland Trust Company has discovered and utilized the method of banking by mail. **A Discovery**

To be sure the new method is very simple, as all great things are, and almost any one might have seen it, but scarcely any one did. The whole secret is the use of the United States mail, and, as all Americans are accustomed to using

Some More Facts

the mail, it is very easy for any one of them who desires to deposit a sum of money with the Cleveland Trust Company to buy a postoffice order of his postmaster and then dispatch it in a letter to the Ohio city bank.

"But why should I do that," asks, say some resident of some town in Illinois, "when I can deposit my savings week by week in a savings bank here at home, or in a big savings bank in Chicago, which is much nearer to where I live?" The resident will further argue that if he puts his money in the bank in the city in which he lives he can hope to keep his eye on it, as he can't in Cleveland, Ohio.

Well, the reason why you should store your money with the Cleveland Trust Company is that you can get from them 4 per cent. interest on your money, 1 or 1½ per cent. more than any Chicago bank will give you, and possibly 2 per cent. more than your home bank will allow.

Think of what 4 per cent. interest on money means these days, in which governments are funding their indebtedness on a 2 per cent. basis, and returns on real estate average not over the same rate.

Of course now, as always, the man willing to take a chance of losing everything can command a big rate of interest, but the talk is now of solid and sure things, and the people to whom this article is addressed demand, first of all, security. How large that class is who demand security for their savings is shown by the number of depositors in the savings banks and by the size of the savings. These prefer the small secure 3 and 2½ per cent. interest paid by the savings bank to the risk of investment in industrial and corporate securities, to the risk of mining stock or mortgage loans. If, however, a great Cleveland institution, a savings bank itself, offers all the security of the usual savings bank plus the unusual security afforded by the admirable Ohio laws, then a saver should not hesitate to secure the high 4 per cent. for his money. He is justified in so doing, for he adds nothing to his risk—indeed, if anything, diminishes that risk.

It is said that the People's Savings Bank of Pittsburg was the first to adopt this method of attracting deposits, and that one of the advertising men* of that city was the first man to make a real business-like effort to produce results.

In a recent article Mr. Power told some interesting things about his work and experiences. He says:

What Mr. Power Said

Banking by mail has transformed the savings bank from a purely local institution to one of national scope and importance and is rapidly increasing the working capital of the country by bringing into circulation much of the heretofore idle or uninvested wealth of the rural district. No other one influence in the world is doing as much to help people help themselves, and that the banks, in return, should receive part of the benefits is only natural and just.

Mail banks are in every essential local banks, the mail feature being simply a natural development to fill a positive need. A few years ago, before the United States mail service had reached its present high standard of efficiency, the system could not have served the purpose it now does. But today the postoffice department has provided facilities by which the residents of even the most rural districts are brought into close touch with the mail banks. These mail banks render the same service as heretofore to the local communities, but they make that service doubly valuable by rendering the same service to every other community.

It is not expected that banking by mail would be a success from the start, nor was it believed that any but a very strong institution could engage in

*Mr. Edward M. Power, Jr.

What Mr. Power Said

it successfully. All educational work must proceed more or less slowly—and this work was looked upon as distinctly educational. The great army of rural dwellers were afraid of banks. They had heard, perhaps, of the failure of one or two, and so concluded that all banks were unsafe. Up to this time no effort had ever been made to secure their business nor to instruct them as to how they might determine the safety of a banking institution. To a great majority a bank was a mystery. They had not the slightest idea of how to open an account, and a bank's statement was as unintelligible as a Chinese puzzle is to the average American citizen, in so far as it conveyed to them any information.

The first problem, therefore, in developing the banking by mail plan was to instruct these people in the methods of banking; to explain to them in language they could readily understand the meaning of the figures shown in a bank's statement, and to create sufficient confidence in the institution that they would feel safe in trusting their savings with it. This could be accomplished only through persistent and well-directed advertising.

The literature of the strong banking by mail institutions has gone into every cross-roads district in the country, into every town and city, and has accomplished more in enabling people to discriminate against fraudulent investment schemes, and in encouraging them in habits of industry, frugality and thrift, than any other one influence in the world.

But while banking by mail has been successful in gathering in the money that had been laying dormant in the rural districts and putting it into circulation, the system is by no means confined to those districts. It has become universal in its scope. The depositors of any one of the large mail banks represent every walk and station of life, and nearly all nationalities. The wage-earners compose a very large class—men and women whose savings are necessarily small, but whose accounts are desirable because they are added to regularly, and are allowed to remain with the bank a longer time than the average account. They are ideal savers. Another very large class of depositors is composed of soldiers and sailors of the army and navy stationed in various parts of the world. Some of these men send instructions to the paymaster at Washington to have certain portions of their pay forwarded each month to the bank. Professional men also deposit freely—doctors, lawyers and ministers, who command good incomes, but through lack of time, disinclination, or for other reasons prefer 4 per cent. and safety for their money to speculative investments which may promise large returns, but involve the safety of the principal. Then there are many business men, and even bankers, located in districts where 2 to 3 per cent. is the ruling interest, who send their surplus funds to the bank that pays 4 per cent., in order to increase the earning power of their capital. The funds of benevolent institutions, fraternal societies, churches, etc., also find their way to the 4 per cent. banks. These deposits often amount to very large sums and are accepted as savings accounts subject to the usual rules or on certificates of deposit for a stated period.

It required courage to undertake such a radical change in the savings bank business, and to pay advertising bills for six months to a year before the results began to come in. Yet banking by mail has revolutionized the savings bank business, and has developed into a successful and profitable branch of banking. It has penetrated into every postoffice in the United States, into Canada, into Europe, Asia and Africa; into our island possessions and, in fact, into every country under the sun where abide civilized and enlightened people. It is teaching people to be thrifty, educating them in the habit of saving, which habit is rapidly increasing the working capital of the country, giving impetus to business enterprise and making a profitable return to the working classes for their small investments.

The idea has had a "hard row to hoe," as the old farmer said of his son Jim's courtship of his neighbor's daughter.

The attitude of the average banker has been typified in a story which I take from a little paper* published in the Middle West:

A banker in a small city in Illinois—we might as well call him Green, although his name is of a totally different shade—picked up his Saturday Evening Post and said to one of his associates:

"Here are a lot more of these 'Bank by Mail' ads—Pittsburg, Cleveland and one down at Owensboro, Kentucky. I don't see how they can pay the high rates for advertising in the 'Post' and the 'Ladies' Home Journal,' and a lot of the expensive magazines, and still pay the rate of interest they advertise. All of them say 4 per cent., except this Kentucky concern, and it intimates that it will pay 5 per cent., though it doesn't say so outright. Do you suppose they get business enough to pay them, and if they do, where do they get it from?"

The Lesson Brought Home

His associate couldn't tell him, but said he had been wondering something about it himself.

A few days later Banker Green had to make an Eastern trip and took occasion to stop off at Pittsburg where he had some slight acquaintance with an officer in one of the "mail-order" banks located there. He called on this gentleman, whose name may be White, and in the course of a friendly visit, asked him whether the bank was getting many new accounts as a result of its magazine advertising.

"We certainly are or we wouldn't be keeping it up," replied Mr. White, and he proceeded to hand Mr. Green some figures which quite astonished that gentleman.

"But where do all these depositors live?" asked Green. "I suppose you get them from the back countries, where they have no local bank handy?"

"Indeed we do not," stoutly asserted White. "Lots of them live in other big cities, where they may pass the doors of half a dozen banks every day, but the majority are residents of towns and villages, and practically all of them have local banking facilities if they chose to take advantage of them. Excuse me just a moment and I will see if we have any accounts in your own locality."

Returning a few minutes later, Mr. White continued: "I don't feel at liberty to mention any names, of course, Mr. Green, but I find that we have four accounts in your own town. You have three banks out there, haven't you?"

"Yes, and we pay the same rate of interest that you advertise. What's their reason for sending their money away off here? They surely know they can do as well at home."

"Maybe they do and maybe they don't. Why don't you tell them so? That's the way we are getting our big business from every State in the Union. We are handling the accounts of people out on the Pacific Coast. Their home banks might just as well be having their business, but they don't know what their home banks can do for them and they do know what we can do for them, because we tell them about it in our magazine ads and our booklets."

"But I don't want to go into magazine advertising," protested Mr. Green.

Light a Light

"Of course not, and you don't have to. All you want to do is to hold your own and keep growing in the territory which rightfully belongs to you. The way to do that is to let your light shine all over your county and over the edges of the adjoining ones. Do some advertising; dignified, but aggressive—and keep it up. It won't be an expense at all, but an investment. The money you invest that way is like seed sown in the field. It multiplies itself in returns every year. Of course, your seed and your field must be right. If you don't know just how to do it, get in close touch with some people who do."

*Bank Notes.

"Our bank has a standing card in the newspapers," suggested Mr. Green.

The Lesson Brought Home

"Yes, and you have a sign over your door. It barely labels the package, and doesn't describe the contents. Put out some real advertising among the people—booklets and folders that give some actual information. You would be astonished to know how many there are in your own locality who know deep down in their hearts that they ought to be putting their money in a bank, but just dilly-dally along and keep putting it off because they are ignorant of banking methods and know they are ignorant. They are afraid they wouldn't know what to say if they went into your bank to open an account. But when you advertise that you are inviting new accounts, and that you are paying 4 per cent. on time deposits, your timid man or woman can step in confidently and say, 'You allow 4 per cent. interest, don't you? I would like to put in $50 for a year.' Give your people a peg on which to hang a good excuse for their first visit and you'll keep them all right after that. Once in, they find that there is nothing stifling about the atmosphere of a bank. They can breathe just as freely in there as in any other business house. The mystery is dispelled; they have learned the way to your receiving teller's window, and their faces will appear there habitually thereafter."

"What system should I use in distributing advertising matter?"

Just Common Sense

"The common-sense system. There's nothing like it. Get up your first booklet, or folder, or pamphlet, or whatever it may be, and then think out your plan of getting it into the hands of the people. No cut-and-dried method will suit all localities. You have a number of rural free delivery routes leading out from your town. Get a list of all the farmers served by them, if you have to drive over the routes and copy the names from the letter boxes. There are easier ways of getting the lists, though, if you know how. Mail your stuff to that list regularly, and watch the returns come in. When it has brought you ten depositors you may know that it is working in the minds of fifty more, and that they will be coming along in due course of time. Some of them may not get in for a year, but when you get the plan to working there will be new faces at the window every day, and then you've got a growing bank. Work your own town and the outlying villages just as hard and persistently as the rural routes. Give special attention to the factories and shops. Get lists of names from the pay rolls of the superintendents, and keep after them. Make up other lists of store clerks, doctors, dentists, lawyers, teachers, and every other class having a regular income, but who are not on your books. A matter of $25 to $50 a month will accomplish wonders in advertising a bank locally."

"Well, I guess we can afford to spend that much," commented Mr. Green, smiling reflectively.

"You can't afford not to spend it," answered Mr. White.

As banking by mail has come to stay, let us see how it is to be accomplished to the best advantage of all concerned.

Mail-order banking has come to stay because it can serve the interests in some ways of the public better than any other form of banking.

What it Means

It means the centralizing of a certain part of the country's wealth, which has benefits as well as dangers, but it serves the public by giving to a greater part of that public the greater returns of the best brains and the greatest industrial activity to their depositors.

By it money may be drawn from the stagnant sections to the sections of greater commercial activity.

From places where there is more than enough to places where there is not enough.

It Helps Commerce

It has been and will be a greater assistant to commerce.

Quoting an advertisement of one of the 4 per cent. banks, which is among the very few to give a reason why 4 per cent. can be paid:

Many people, on learning that the great Cleveland Savings banks pay 4 per cent. interest, have wondered why banks in other large cities do not do the same—whether Cleveland is satisfied with a smaller per cent. of profit, or whether Cleveland sacrifices safety to increase their gains. It is the purpose of this advertisement to answer these questions.

Cleveland being in the center of one of the greatest industrial districts of the world, her banks are enabled to invest their money in enterprises whose best guarantee to safety is the large amount of capital behind them. These opportunities for investment are available only to large institutions which have the ready money to take advantage of them—operations in coal, iron, Great Lakes shipping, and manufacturing, which pay large profits and do not keep money tied up for great lengths of time.

Ohio's strict banking laws, frequent examinations by disinterested accountants, and careful oversight by an active board of directors composed of Cleveland's foremost business men, have made the Cleveland Trust Company one of the most favorably known banks in the country. Its progressive policy has caused a rapid growth that is little short of phenomenal. It now has capital and surplus of Five Million dollars and more than Sixty-five Thousand Individual Depositors.

From an Advertisement

Through a perfect system of "Banking by Mail" the superior advantage of doing business with this institution is carried to the very door of every thrifty man and woman in the country, giving them even greater facility and convenience in depositing money than they would have in visiting their bank in person. The success of this method is proved by the great number of deposits we carry in this way, and by the fact that it has been continued by every progressive bank which ever tried such a system.

If you have money invested at a lower rate than 4 per cent.—if you wish a safer investment, or if you wish to start a savings account with any amount from $1.00 upwards, it will pay you to write for our booklet giving particulars of our system of "Banking by Mail."

Even this fails to be specific enough to meet the questions of a large section of the public which would be moved by an apparently reasonable explanation why 4 per cent. is "safe banking."

In the East, where savings bank work is an old story, the people for a generation and over have been trained and educated to believe that 2 1-2 per cent. to 3 per cent. was the most that safe banking would permit.

People do not lightly put aside the training of a generation. For that reason any mail-order campaign should concentrate itself on two things:

Two Things Essential

(a) That the advertiser is capable of caring for the money; i. e., has resources, standing and capacity.

(b) That the advertiser can return more in dollars and cents than another bank.

These two arguments are the standard appeals of the mail-order banks; they have made it a success, and on the greater returns section has been placed the larger load.

Reasons Why

Promise the man better returns and make him believe he will get it and you will get his money.

Returns are what count. He wants an extra per cent.

You may talk yourself black in the face against the 4 per cent. advertising, and you may hold him for awhile, but the 4 per cent. advertising is a hole in your wall. Constant pounding from the 4 per cent. bank will open the breach again and again, and the only hope for some of us is to stop piling up surpluses and give the depositors some of it.

We must look at this question squarely and fairly, and not deceive ourselves.

The concern that can give the most for the money generally gets the business. That applies to the house that sells groceries to your wife, or neckties to you, and it applies to banking just as well.

If a bank in Ohio or Montana or Washington or Iowa can afford to pay 4 per cent. or even 5 per cent., why shouldn't it advertise the fact?

Why does it pay 4 per cent.?

That Four and Five Per Cent

Isn't it because there isn't enough money in the community to meet the legitimate demands of its people? They are willing to pay 6 to 10 per cent. because their business needs money, their profits are so large that they can stand it.

Why not tell the world about it, instead of borrowing money from Eastern depositaries that is subject to call at short notice, and in large sums?

The protection to investments offered by the savings bank plan is far superior to that offered by the bank borrowing of another bank.

The widely scattered army of depositors is not so easily scared.

The contagion of fear does not so easily start a run or a panic. The depositor in Nevada cannot so easily rush into the bank in Ohio and breathlessly demand his money, thereby communicating his fears and panic to a city.

The Mail Order Depositor

He can write a letter breathing panic and catastrophe, but no one sees it. He may lie awake nights and walk the floor, but no other depositor hears of it. He may believe that the bank has gone to the dogs and his money is lost, but he cannot mount the steps and sow the whirlwind in the hearts and minds of thousands.

The mail-order bank has these advantages in times of storm and stress, and they are very valuable and concrete advantages, whose benefits can hardly be overestimated.

Assuming that the banking by mail idea has come to stay, there arise two conditions to which we should give careful consideration:

(a) What kind of banks will it pay to use mail-order methods?

(b) How can a bank advertise by mail?

So far the most conspicuous mail-order bank advertising has been done by large banks, who have had the prestige of large capital and large names to conjure with.

Within the past year or two, however, we have seen the smaller banks enter the lists in the fight for this class of business.

These concerns have come in on the 4 per cent. basis, or have offered certificates of deposit bearing 5 and even 6 per cent. interest.

As the advertising for these smaller banks has been comparatively small and recent, it is difficult to make any comparison.

The logic, however, is all on the side of the advertisers. Money goes where it can procure the largest returns, is trite but sometimes entirely lost sight of when new conditions arise.

The Chance of the Bank in a New Country

The small bank in a comparatively new country like our Pacific Northwest, or the Rocky Mountain states, or in the wheat sections of the Dakotas and along the Canadian border has a greater opportunity to put money to work in a safe and profitable way than most people, even bankers in the East, can justly comprehend.

In a community where the rate is 6 to 8 per cent. on normal loans, where commerce is built on so large and free a scale that much more than such a tax is easily earned and realized, large interest on deposits ceases to have the comparative danger it would have in the East, where competition is keener and results not so large.

This is nothing new, but is necessary to a statement of the situation.

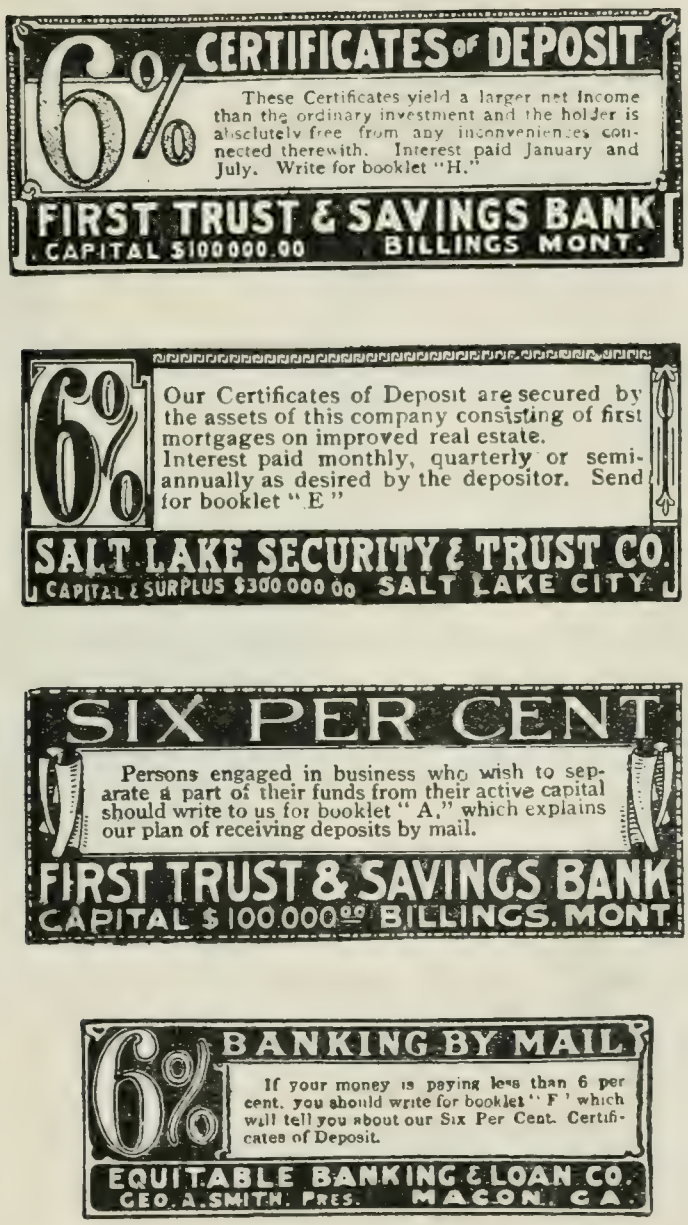

6% CERTIFICATES OF DEPOSIT
These Certificates yield a larger net Income than the ordinary investment and the holder is absolutely free from any inconveniences connected therewith. Interest paid January and July. Write for booklet "H."
FIRST TRUST & SAVINGS BANK
CAPITAL $100000.00 BILLINGS MONT.
6%
Our Certificates of Deposit are secured by the assets of this company consisting of first mortgages on improved real estate.
Interest paid monthly, quarterly or semi-annually as desired by the depositor. Send for booklet "E"
SALT LAKE SECURITY & TRUST CO.
CAPITAL & SURPLUS $300.000 00 SALT LAKE CITY
SIX PER CENT
Persons engaged in business who wish to separate a part of their funds from their active capital should write to us for booklet "A," which explains our plan of receiving deposits by mail.
FIRST TRUST & SAVINGS BANK
CAPITAL $100.000.00 BILLINGS, MONT.
6%
BANKING BY MAIL
If your money is paying less than 6 per cent. you should write for booklet "F" which will tell you about our Six Per Cent. Certificates of Deposit.
EQUITABLE BANKING & LOAN CO.
GEO. A. SMITH, PRES. MACON, GA.

FIGURE 1

The public wants to have its dollars earn more dollars.

The Lure of the Extra Per Cent

It does not take much figuring to make 4 per cent. look lots better than 3 per cent. or even 3 1-2 per cent. For that reason we know that hundreds and thousands of dollars have been withdrawn from savings banks and placed in banks of distant cities, where the extra per cent. could be obtained. Banking by mail has been one way, clumsy it is true, of meeting the branch bank question for deposits, without meeting that other apparent advantage, the ability to make the greatest resources available at short notice wherever may be the greatest demand for money.

The banking-by-mail idea is not confined to the big bank.

The little bank can buy space in the same publications as the big bank; it can appear quite as frequently and if its advertising is done with care and judgment and informed with a knowledge of human nature and its proposition, the small bank can produce results irrespective of its size. The size of a bank is a moral effect, not a positive guarantee of greater returns. The size can be overcome if the returns to the investor are obtained. The investor's test of any bank must always be, Does it produce dividends—does it pay the investor?

The Cleveland Trust Company was a comparatively small concern when it first took up advertising. The mail-order department was slow in the beginning. It was a hard, uphill fight, but it has won out so largely that those who first criticised adversely have learned to imitate.

There is no field so fruitful as the banking-by-mail field, because it is not overworked.

There is no field so splendidly quick to answer to brains and business acumen; no field in banking where the brains of the advertiser can produce so quick a result, as the mail-order field.

Competition in this is one of brains and pluck and judgment—not entirely of money and resources.

Six Per Cent on Certificates

The little bank in Dakota may advertise in the magazines in a few lines its ability to pay 6 per cent. on certificates; it may convince by figures of unquestioned fact that it can pay them. If it follows up its inquiries with careful letters, with word pictures of the growth and resources of that wonderful region; if it can and will continue this treatment of a list of savings bank depositors, it can get a large accession to its deposits and its business—provided it can use the money.

This is being done today and the idea is bound to spread.

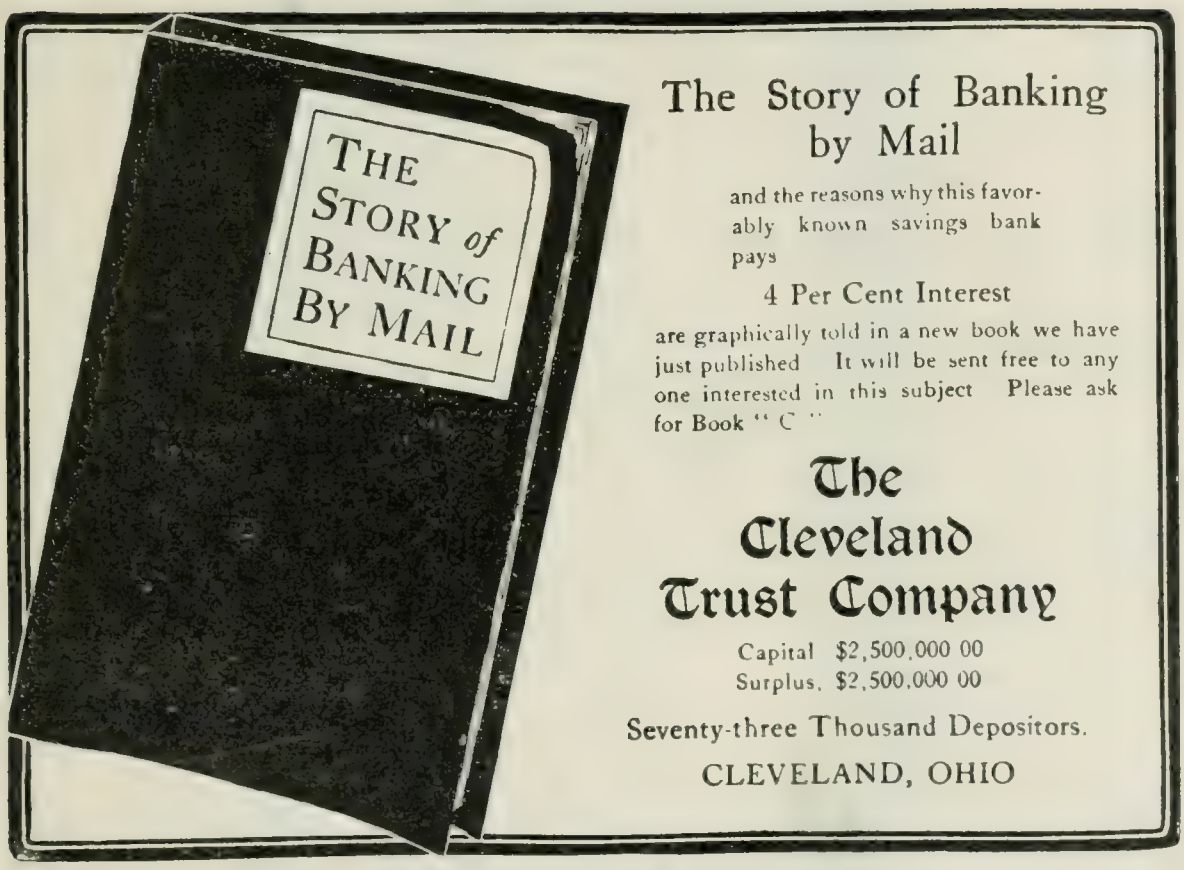

THE STORY of BANKING BY MAIL
The Story of Banking by Mail
and the reasons why this favorably known savings bank pays
4 Per Cent Interest
are graphically told in a new book we have just published It will be sent free to any one interested in this subject Please ask for Book " C "
The Cleveland Trust Company
Capital $2,500,000 00
Surplus, $2,500,000 00
Seventy-three Thousand Depositors.
CLEVELAND, OHIO

FIGURE 2

The large city savings bank that does not advertise for mail-order accounts is simply overlooking an opportunity to gain some satisfactory business, through a certificate plan.

Of course, the larger institution should be able to buy mail-order experience and advertising brains; it has the moral effect of larger resources to back up a campaign of promises; it has ability to create a larger audience by talking through a larger list of publications.

Getting at the Vitals

The principles are the same, however, in either large or small banks.

The question of how a campaign of advertising for mail-order accounts shall be started is an easy one for an advertising man to answer.

There are three things required:

(a) A proposition; i. e., a definite promise, such as certificates bearing 5 per cent. or 6 per cent., or 4 per cent. "participating bond."

(b) A willingness to spend money in magazine advertising, or on special lists of names, or for advertising to a combination of both.

(c) A willingness to answer all letters of inquiry with intelligence and care, treating the humblest postal card inquiry with the same concern and care as is given the letter of him who promises to send a thousand dollars if you "show him."

The first essential, we will assume, you can meet; i. e., that you have a proposition.

The second essential is a part of the campaign in which you can make or break the success of your work.

The temptation always is "to try it" by an insertion or two in some cheap publication. The country banker, who has been used to paying out $150 for a whole year's advertising in his country paper, is almost paralyzed when he is called on to pay as much for a single insertion of a four-inch single column advertisement in a publication like "The Saturday Evening Post."

Will He Do It?

Right here is where the first test comes. Will he do it? His first impulse is to buy advertising as he does deposit tickets, where he can get the largest quantity for the money.

By paying the high rate, however, he does actually get the most for his money; i. e., the most circulation among the kind of people who have money to deposit.

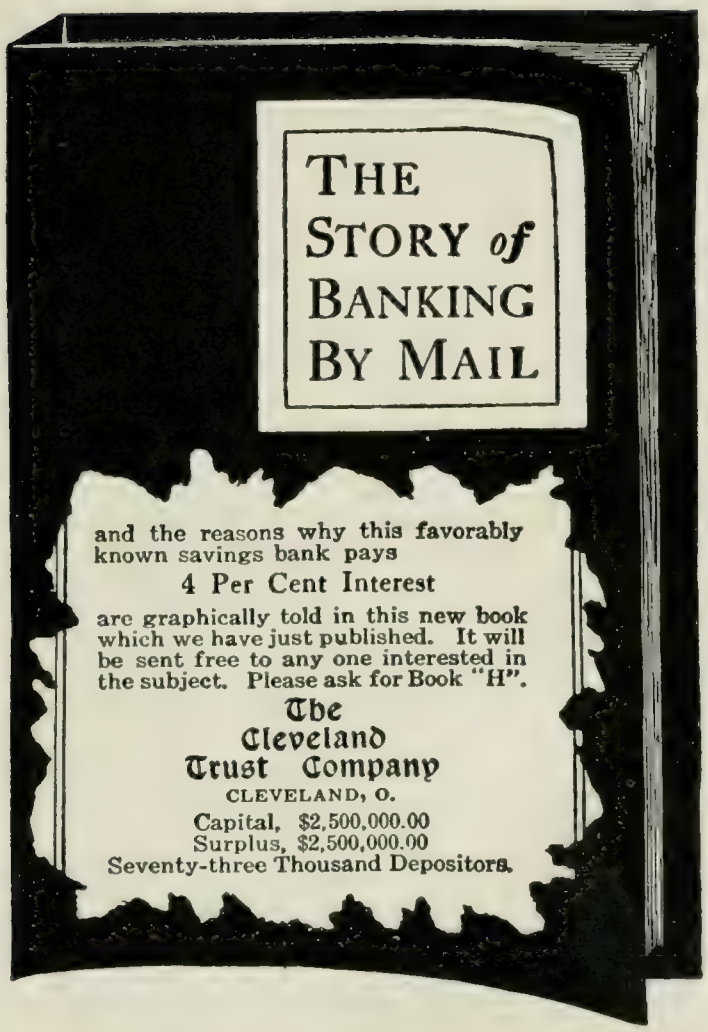

THE
STORY of
BANKING
BY MAIL
and the reasons why this favorably known savings bank pays
4 Per Cent Interest
are graphically told in this new book which we have just published. It will be sent free to any one interested in the subject. Please ask for Book "H".
The
Cleveland
Trust Company
CLEVELAND, O.
Capital, $2,500,000.00
Surplus, $2,500,000.00
Seventy-three Thousand Depositors.

FIGURE 3

The Beets and the Boy

He will then be tempted to make the other mistake common to inexperienced advertisers, do too little and watch that too carefully, like the boy who planted the beets and then one after another pulled them all up "to see how they were growing." The inexperienced advertiser pulls his advertisements out of a paper "to see what the results are."

The advertiser must be like the fisherman who understands that it is the hook in the water that catches the fish.

The banking-by-mail advertiser must understand that he has competitors. That business does not come at the first solicitation. The first few insertions in a publication are to be considered as the introduction. Then the repetition commences to build up in the reader's mind definite impression and to awaken interest and desire.

Try Out Your Proposition

It is easy to try your proposition out in one or two publications. Small banks, offering a large percentage on certificates can use small space, as shown in Figure 1. Of the three one-inch single column advertisements shown, two are for one bank and one for another, yet they are so nearly alike in appearance that but little difference can be made in the reader's mind. When the make-up of a publication is such that such advertisements fall together, side by side, as they did in the publication in which I saw them, the effect is bad. Seeing the two advertisements designed alike means that they are under the same management or the advertising of both is handled by one agency. It does not matter which is true, the advertisements are not handled with the greatest possible effect. Individuality is utterly lost in these instances.

The similarity makes people wonder and ask questions that will never get to the advertiser.

These advertisements pull against each other, with the result, in many cases, of nullifying any power of attraction either might have.

These small spaces are well arranged, however, and are calculated to get the greatest pulling power out of the space. The large 6 per cent. is the thing to attract attention in a page where 4 per cent. and 5 per cent. announcements are the rule.

Analysis

Probably a more interesting example of expert handling of space is shown in a comparison of Figures 2 and 3. In this case the same copy and illustrations are used in two ways, Figure 2 being twice as large as Figure 3. In other words, it cost twice as much to put Figure 2 in

"Everybody's Magazine" as it did Figure 3, and many people would say that the smaller advertisement was the more effective of the two.

Again it is the Plan

I have dwelt on the matter of number of insertions and size of space at this time because I want to point out the absurdity of going into mail-order banking without a definite plan. The whole success of mail-order work is based on the thoroughness with which the advertising machine gets out of the lists of names and inquiries the business that is there. The advertising in the magazines rarely brings anything but an inquiry from some one who presumably has money to put away at interest.

If that is true, then you must tell that possible customer the advantages of your particular bank. After the inquiry, then, the real effort to get the money comes. Your advertisement has produced the man, the rest is a matter of salesmanship.

The Sections Offering the Best Chances

In deciding to go into the mail-order field, let us not forget that our own county offers a field; that the State in which we live has some possibilities, but the fields that offer most to our possibilities are those lying east of the Ohio river, where money is saved on a basis of 2 1-2 to 3 1-2 per cent.

Our list of publications should have a good-sized Eastern circulation, and at the same time we should not forget that there are scores of places where money is made that have no savings bank facilities at all.

Let us try, then, three or four publications; say "Saturday Evening Post," to get big circulation among the great middle classes; "Literary Digest," to get at the professional wage-earners; "Review of Reviews," to get the value of repetition among the professional folks and with the small homes, and especially among folks who are buying things by mail, for we will notice that the "Review of Reviews" advertises a great many books on the mail-order installment basis.

The monthly publication will give us a circulation of nearly three hundred thousand once a month, and the two weeklies nearly one million three to four times a month.

The size of our space will depend on the amount of money we have.

Division by Percentages

If our proposition is a 4 per cent. one, we need largest space; 5 per cent., half as much, while 6 per cent. needs but one-fourth as much as a 4 per cent. These are purely arbitrary divisions, of course, as I would always take all the space my appropriation would stand, knowing that even a 6 per cent. proposition would stand a better show with a good-sized space than with a small one. But a 6 per cent. offer has certain

Getting the Better of Prejudice

interest-compelling powers that make up for the larger space and it has certain additional advantages; the 4 per cent. man has to prove that there is no law of nature or finance that makes 3 per cent. the largest safe interest that can be paid on deposits. Once that is proved and the customer is torn away from the ancient prejudice, then he is ready to listen to the 5 or 6 per cent. offer, too.

That has been the experience of mail-order bank advertisers.

The space, copy and mediums having been selected, the advertisements must be backed up.

How are we going to handle the inquiries?

We must arrange so as to list the inquiries as they come in, and to credit them to the proper mediums, so we may be able to tell exactly what we have done through the publications. We want to trace results.

There are different ways of doing this, which, together with other system matters, has been explained in the chapter, "Systematizing the Work."*

The Small Bank After Business

The small bank advertising for mail-order deposits can get results only as it impresses the inquirer with its capacity to do business and make good.

The first thing is to arrange a follow-up system. The machinery for handling the follow-up will come later, but the reasons and the line of development are important.

The possible customer comes to you, saying, "Your advertisement has attracted me. I have money. I'd like to be assured that you are a capable banker, an honest banker and able to do the things you say you can do."

He will not write so much, but that is what is in his mind.

You *must* proceed to treat him as if he had said these things. You must fully, freely and frankly meet him on his mental plane and talk to him as if you had him face to face.

Write Him Often

You must write him often and be willing to answer his questions specifically. For instance, I wrote to five banks advertising banking by mail, asking them for reasons why they could pay 4 per cent. when Philadelphia, Boston and New York banks said they could pay but 3 per cent.

*Chapter XIX.

To open an account by mail

it is only necessary to fill out the following blank and mail it to

THE CITIZENS SAVINGS & TRUST CO.

CLEVELAND, OHIO

with money order, draft or other remittance

Date _____

REMITTED BY

Name _____

Address _____

_____

_____

Check . . . $ _____

Draft . . . $ _____

Post Office Money Order $ _____

Express Money Order . $ _____

Currency . . . $ _____

_____ $ _____

Total, $ _____

IMPORTANT—All checks, drafts or money orders should be made payable to THE CITIZENS SAVINGS & TRUST CO.

Currency may be safely sent through the mail by registered letter, or remittance may be made by postoffice money order, express money order, bank check or draft. Money orders, checks and drafts need not be sent by registered mail.

ONE DOLLAR IS ENOUGH TO BEGIN WITH

TO OPEN AN ACCOUNT BY MAIL

IT IS ONLY NECESSARY TO FILL OUT THE FOLLOWING BLANK AND MAIL IT TO

PEOPLES SAVINGS BANK

PITTSBURGH, PA.

WITH MONEY ORDER, DRAFT, OR OTHER REMITTANCE

REMITTED BY

NAME _____

ADDRESS _____

_____

_____

CHECK . . . $ _____

DRAFT . . . $ _____

POSTOFFICE MONEY ORDER $ _____

EXPRESS MONEY ORDER . $ _____

CURRENCY . . . $ _____

_____ $ _____

TOTAL $ _____

IMPORTANT.—ALL CHECKS, DRAFTS OR MONEY ORDERS SHOULD BE MADE PAYABLE TO PEOPLES SAVINGS BANK.

LETTERS CONTAINING CURRENCY SHOULD BE SENT BY REGISTERED MAIL.

No.

For use of PITTSBURG TRUST COMPANY, Pittsburg, Pa

Signature

SIGN HERE E. H. Brown

Residence. 79 Dickson Ave

Occupation. Printer

Employer John Jones & Co

Age 29

Father's name W. H. Brown

Mother's maiden name. Mary Smith

Name of husband or wife Grace

Remarks.

FIGURE 4

These are forms of deposit slips used by banking-by-mail concerns. The Citizens Savings & Trust Co. is better, because more specific. The card shown is the usual signature card.

Not one of those banks *answered* my question, but all came back with an imitation typewritten letter, with my middle initial left out or misread, although I had written on stationery with my name imprinted on the upper left-hand corner.

Deliberately Sacrificing Results

Such handling of inquiries deliberately sacrifices the investment made in the publications, and in the maintenance of an advertising department.

The typical follow-up of a 5 per cent. or 6 per cent. offer might be as follows:

1 Specially dictated letter in answer to any questions that the possible customer may ask. If the questions are answered fully in a piece of literature, speak of the booklet or folder in the letter, mark the page with a blue pencil, and enclose an envelope for a reply, also a remittance slip, and sign the letter by an officer of the bank, preferably the president.

Handling the Original Inquiry

If the original inquiry was simply a letter or card saying, "Please send details of your offer, etc," the first letter should be written in the name of an official of the bank, setting forth in a frank and candid way why you could offer so much greater income, for instance, because you got more for your money; i. e., that the largely profitable business of a great and growing section, new people to feed, new crops to move, new enterprises to finance, great business successes to help, meant that you have use for all the money you can get.

Let the letter make it personal, using first person singular, and enclosing a booklet with some such title as, "Why 6 per Cent. Is Small in Dakota," and containing some good, sound arguments about your bank, the state, the future and present banking history of the section, and some idea of the officials and board of directors.

Of course, you want to show your practice in the treatment of stocks and bonds, loaning to officials of the bank, and reflect your sentiments about all the other things with which the public has become familiar through late investigations, failures and criminal proceedings.

Enclose a remittance blank, signature card and addressed envelope.

The Second Letter

2 Hearing nothing after allowing enough time to elapse for the possible customer to get your letter and hold five days before answering, you should write the second letter.

This should be a letter on how a bank can pay 6 per cent. on money loaned on a certificate of deposit for a period of one year. Figure out in

a circular how money is loaned and how it makes money for the banker. Show the customer how there is but little actual risk in the way you loan money.

Ask a specific question, such as, "Do you wish to deposit where you can withdraw at any time?" **Specific Things**

Do you understand how you can use the certificate plan?

Enclosure—A miniature certificate of deposit, which you give when a customer deposits money.

3 He has not written at the end of the same period as formerly. You have invested too much in him, however, to warrant a complete backdown.

You write him a third letter, asking him if he will write you an answer to a few questions, which you enclose on a blank form like the following:

(a) Do you want to invest money in a permanent way, or to have it so it can be quickly converted into cash?

(b) What objections have you to the certificate plan which we have outlined?

(c) Do you carry a savings account at present; if so, how much is it paying?

(d) What, if any, questions in your mind have we failed to answer in our letters or our advertising?

With this letter send him an *addressed and stamped envelope.* **Getting a Reply**

Put your questions on a separate sheet of paper, which he will sign and return. Place under his signature lines for his occupation or business, name of firm or house and his *home* address.

Display in large letters on the top of the sheet:

CONFIDENTIAL INFORMATION

For The Dakota Savings Bank

From

Name _____

Street _____

City and State _____

Fill in the lines at the top of the sheet yourself, so as to impress him with the personal quality of it. For another purpose your possible customer may fill out the sheet and fail to sign it, and when returned it is useless. A little foresight on your part will make this impossible.

Some may say that people will not sign these sheets.

I know they will.

The information in his answers to your questions is, of course, interesting, but the information about his position and his savings account is most vital.

Offers Openings

The customer in answering these questions offers two points of attack. If he is saving money in a 3 per cent. bank, then you commence to hammer on that 100 per cent. increase in the return for his money. You write circular letters that go to all those who have admitted they were saving on the 3 per cent. basis. You keep these apart from the rest of the lists, because you know where they are weak. Gradually you move one after another to do business with you through your appeal to their sense of returns. You make them want that other 3 per cent.

But to return to the third letter. You enclose the circular, stamped envelope and book of good words from those who have saved money on the 6 per cent. certificate plan, and you tell him in the last paragraph that all information is confidential.

If He Doesn't Answer

4 If he does not answer the confidential information sheet, you ask him to use the stamped and addressed envelope (always use the envelopes already stamped, furnished by the postoffice department, because the stamps cannot be soaked off and used again), and enclose in this letter a slip somewhat along these lines:

SAVINGS BANK ACQUIRED

DETROIT—Interests identified with the Commercial National and First National Bank and the Security Trust Co. have purchased the controlling interest in the Michigan Savings Bank, which has a Capital of $250,000, Surplus of $125,000, Undivided Profits of $27,867, Commercial Deposits of $869,771.89, and Savings Deposits of $1,400,000. No change is to be made in the management. The bank pays 7% and taxes.

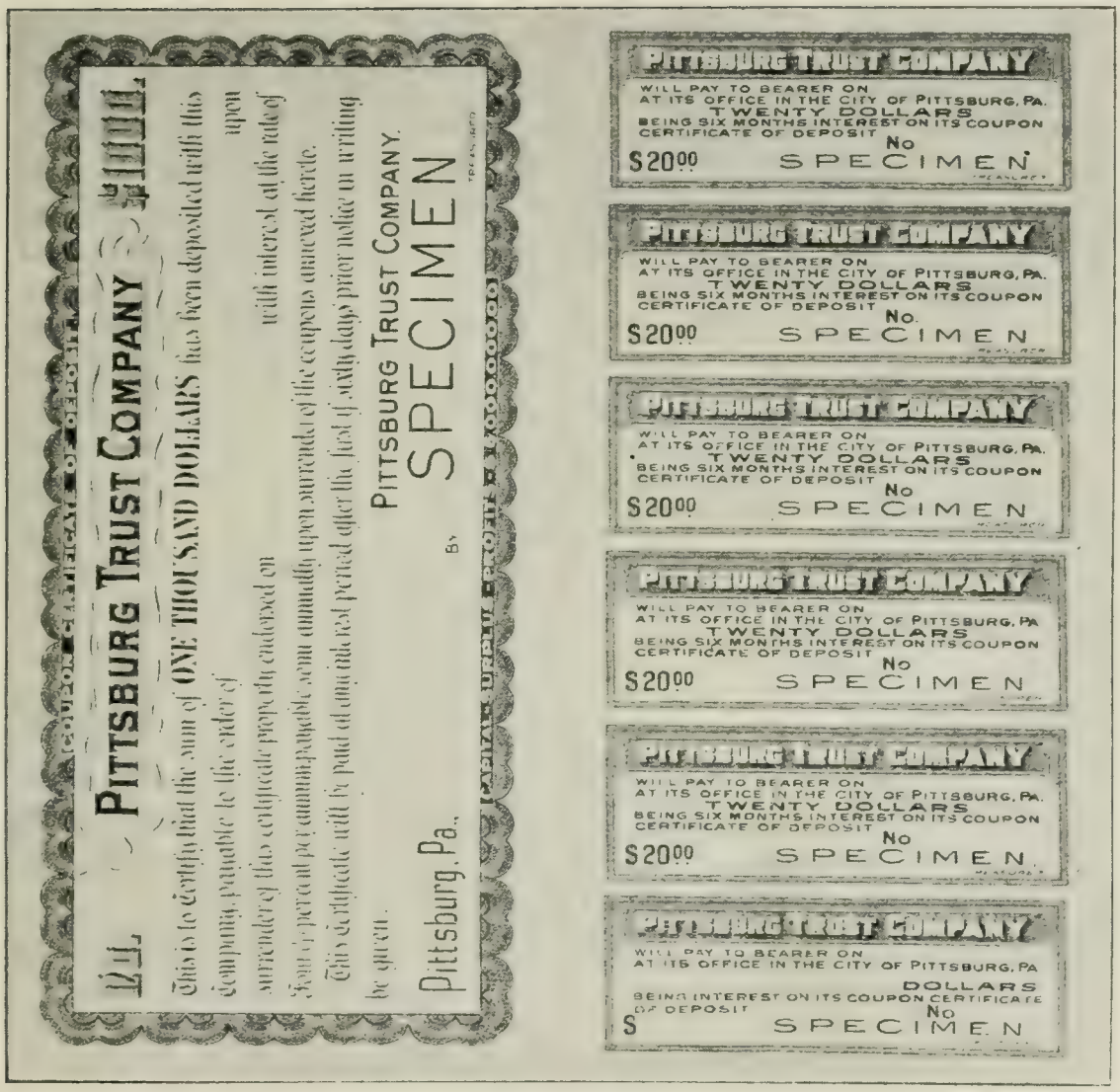

PITTSBURG TRUST COMPANY
WILL PAY TO BEARER ON
AT ITS OFFICE IN THE CITY OF PITTSBURG, PA.
TWENTY DOLLARS
BEING SIX MONTHS INTEREST ON ITS COUPON
CERTIFICATE OF DEPOSIT
No
$20.00
SPECIMEN
PITTSBURG TRUST COMPANY
WILL PAY TO BEARER ON
AT ITS OFFICE IN THE CITY OF PITTSBURG, PA.
TWENTY DOLLARS
BEING SIX MONTHS INTEREST ON ITS COUPON
CERTIFICATE OF DEPOSIT
No.
$20.00
SPECIMEN
PITTSBURG TRUST COMPANY
WILL PAY TO BEARER ON
AT ITS OFFICE IN THE CITY OF PITTSBURG, PA.
TWENTY DOLLARS
BEING SIX MONTHS INTEREST ON ITS COUPON
CERTIFICATE OF DEPOSIT
No
$20.00
SPECIMEN
PITTSBURG TRUST COMPANY
WILL PAY TO BEARER ON
AT ITS OFFICE IN THE CITY OF PITTSBURG, PA
TWENTY DOLLARS
BEING SIX MONTHS INTEREST ON ITS COUPON
CERTIFICATE OF DEPOSIT
No
$20.00
SPECIMEN
PITTSBURG TRUST COMPANY
WILL PAY TO BEARER ON
AT ITS OFFICE IN THE CITY OF PITTSBURG, PA.
TWENTY DOLLARS
BEING SIX MONTHS INTEREST ON ITS COUPON
CERTIFICATE OF DEPOSIT
No
$20.00
SPECIMEN
PITTSBURG TRUST COMPANY
WILL PAY TO BEARER ON
AT ITS OFFICE IN THE CITY OF PITTSBURG, PA
DOLLARS
BEING INTEREST ON ITS COUPON CERTIFICATE
OF DEPOSIT
No
S
SPECIMEN
PITTSBURG TRUST COMPANY
This is to certify that the sum of ONE THOUSAND DOLLARS has been deposited with this
company, payable to the order of
upon
surrender of this certificate properly endorsed on
with interest at the rate of
Four per cent per annum payable semi annually upon surrender of the coupons annexed hereto.
This certificate will be paid at any interest period after the first of sixty days prior notice in writing
be given.
Pittsburg, Pa.,
By
PITTSBURG TRUST COMPANY.
SPECIMEN

FIGURE 5

Under this reproduction you will say something along these lines:

Just One Way

> **The interesting part of the above we have underlined. It does not, of course, mean that the Bank pays its Depositors 7% or would pay you 7%. It means that 7% is paid to those who are fortunate enough to own the Bank's capital stock, after the Depositors are paid their 3% or 4%.**
>
> **In a territory where there is so much banking competition and so much money trying to find investment, savings banks earn this large dividend on their capital, besides paying their depositors. Here, however, where borrowers cheerfully and gladly pay 7% and 8%, instead of the 5% and 6% they pay in Detroit, is it any wonder we can just as easily pay more to our depositors?**
>
> **DAKOTA SAVINGS BANK**

Suppose, however, he answers your third letter and sends in his question sheet with answers. Make reply to him at once by personally dictated letter.

He is on the fence.

Here is where salesmanship comes in. Remember, you are not dealing with blunt, plain-spoken business men in a hurry. You are dealing with a man who has saved some money and who wants to get more for his little hoard, who is weighing your interest and apparent capacity and honesty in the small scales of his experience. Personality will probably play a greater determining force in the final judgment than anything else.

How *you* have impressed him will decide him.

What have you done to *guide* that judgment?

Strong Arguments Necessary

You will have some good stock arguments, reasons why, which have proved effective, and you have them worked into paragraphs and letters.

When a man says he has a 3 per cent. savings account, you have a paragraph to fit that condition, which you have numbered in a book, say, No. 21. Mark on the letter No. 21, and a paragraph, No. 24, as an answer to his objection to your bank being too far away.

Conservative Banking By Mail

Those who live where local banks offer no interest on deposits, or where less than

4 Per Cent Interest

is paid on savings, will find distinct advantage in banking by mail. By depositing in The Cleveland Trust Company you have the satisfaction of dealing with one of the largest and strongest banks in the United States.

Send to-day for free booklet "C" which gives you full particulars.

The Cleveland Trust Company

(Savings Bank)

CLEVELAND, OHIO

Capital $2,500,000.00 Surplus $2,500,000.00

70,000 Depositors

FIGURE 6

How to Answer Letters

Instead of dictating a letter you mark these two numbers on the sheet, hand it to your stenographer, who writes a letter that exactly fits his needs and presents your case in the strongest possible way.

With such a letter you send a folder bearing on the growth of your territory and the great field it offers for investments, etc.

Just as soon as a possible customer has sent in his first deposit, keep in constant touch with him.

Write every depositor on your books at least once a month a good strong letter on the subject of saving and the condition of business. By doing this you encourage the man who is saving $5 a week or month to make it $7 or $8. Very frequently he can do it without inconvenience.

So much for a bank paying 6 per cent. on the certificate plan.

Some Certificate Plans

There are several certificate plans; one the plain certificate of deposit, another the coupon certificate like that shown in Figure 5.

The advantages of this form are:

(a) May be made payable to any person or to bearer.

(b) Collateral for loans wherever the issuing bank is recognized.

(c) May be cashed on 60 days' notice, and frequently, when for less than $200, on demand.

(d) Can be collected without local letters of administration in case of death of the original owner.

In handling certificates of any kind it is always a good thing to use miniature fac-similes in the follow-up.

The Pittsburg Trust Company uses this style of coupon certificate, paying 4 per cent. simple interest on it, issuing in denominations of $100, $500 and $1,000 for the term of three years.

The 4 Per Cent Savings

The straight mail-order 4-per-cent. bank has the front of the stage as a savings proposition. There are several very strong institutions in the field, principally from Cleveland and Pittsburg, with advertising honors resting with the former city, both as to strength and virility of copy and advertising acumen shown in the handling of a campaign.

The Cleveland Trust Company and the Citizens' Savings Trust Company are the foremost exponents of the mail-order banking idea, with the

Cleveland Trust Company doing the better advertising, both from an effective and technical standpoint.

How Two Banks Did It

The following is an example of the form of letters received from the Cleveland Trust Company when the possible customer hasn't answered:

Many people are holding off from banking by mail from natural fear of what to them is an untried proposition.

We don't want you to deposit money with us if you have the slightest misgivings as to the perfect safety of it, for we believe we can reassure you on every point.

We have told you pretty much all about the strength of the Cleveland Trust Company—its large capital and surplus, conservative management, its immense resources—but possibly there is something about which you would like more information. If so, won't you let us hear from you? We want your account because we know it will work to our mutual advantage the same as it is doing in the case of 66,000 people who are already depositing money here at 4 per cent. interest.

Yours very truly,

————, Vice-President.

This letter is noticeable for one very excellent virtue—its singleness of purpose. It talks about but one thing. Contrast it with this letter from a Pittsburg advertiser, which was sent out after the original answer to an inquiry:

A Pittsburg Letter

Some time ago you wrote us regarding our method of "Banking by Mail," with particular reference to our paying 4 per cent. interest on savings deposits. We feel that you will be interested in anything which simplifies the taxation of your money or which insures its safety, increases its working power, avoids publicity of your private financial matters, and offers least inconvenience in case of your death.

We enclose a specimen copy of our 4 per cent. Coupon Certificate of Deposit and a small booklet which explains its advantages. These certificates are secured by our entire Capital, Surplus and Profits of $6,000,000; they simplify taxation; they bear 4 per cent. interest, collected by merely cutting off coupons every six months and sending them by mail or through any bank, they may be made payable to any person or to bearer, insuring absolute privacy from gossip; and in case of death, they may be cashed, when due, without taking out letters of administration in this State.

We also pay 4 per cent. interest on savings deposits, subject to withdrawal of $100 or less without notice, and 2 per cent. on daily balances of ordinary checking accounts.

This company is managed by an active Board of Directors, no investments or loans being made except on their approval. Our affairs are regularly audited by the State Bank Examiner, and by the Orphans' Court Auditor, and, in addition to these, all investments and collaterals are counted and verified at irregular periods every two months by a Certified Public Accountant.

Our deposits are over $11,000,000. We shall be pleased to have you take advantage of our safe and simple method of "Banking by Mail."

Yours truly,

————, Secretary.

In this letter five different things are introduced, which tend to confuse the reader's mind. The writer is trying to sell a Certificate of

A VIEW OF THE PUBLIC SQUARE IN CLEVELAND

THE SPIRIT OF PROGRESS IN AMERICAN BANKING

BY

GEORGE J. BAILEY

JUST as the Jamestown Exposition marks the forward step and the future possibilities of one of the integral sections of our country, so the twentieth century idea of banking by mail stands for all that is progressive and safe in this era of vexing money problems and troubles.

What is this plan, one may well ask? And why does it involve questions which demand the serious consideration of every savings bank depositor in the United States no matter how large or how small his individual account may be?

Answers to these questions combine to form a story of intense interest to all people who are looking for a safe investment of their funds, a story which incidentally hinges on the remarkable industrial development of the city of Cleveland, Ohio.

About twelve years ago, in this city of Cleveland, was founded The Cleveland Trust Company, a savings bank which to-day can look back upon a growth more remarkable perhaps than that of any other banking institution ever organized. This bank was established by a number of Cleveland citizens, men who had been notably successful in their own commercial enterprises, and who, as events proved, were not governed by existing traditions where those traditions lacked good sound business reasons to justify them.

These men, in founding The Cleveland Trust Company, decided to break away from all false banking ethics and advertise for deposits by mail, upon which they would pay 4%, no matter from what section of the world these deposits might come. Many people wondered why banks in other large cities did not pay 4%, when they heard that Cleveland savings banks had paid this rate for over sixty-five years

The basis of this 4 per cent. interest rests on a foundation which has been laid upon the industrial development and prominence of the city of Cleveland. Cleveland is the centre of one of the greatest industrial districts in the world, and her banks are enabled to invest their money in enterprises whose best guarantee of safety is the large amount of capital behind them—operations in coal, iron, Great Lakes shipping and manufacturing which pay large profits and do not keep money tied up for great lengths of time.

Backed by this tremendous industrial development, The Cleveland Trust Company is in a position to pay 4% interest on all savings deposits, with absolute safety and security to the funds of the depositor

The best proof of the success of the banking-by-mail plan is found in the history of the bank. From a modest capital and a few hundred depositors, this bank has grown in a little more than a single decade to an institution with five million dollars capital and surplus, and twenty-five million dollars deposits, with seventy thousand depositors, and a present average growth of over one thousand depositors a month.

If you would read a book of absorbing interest and profit as well, send to The Cleveland Trust Company for their beautiful booklet, "History of Banking by Mail."

THE WORLD'S WORK ADVERTISER

FIGURE 7

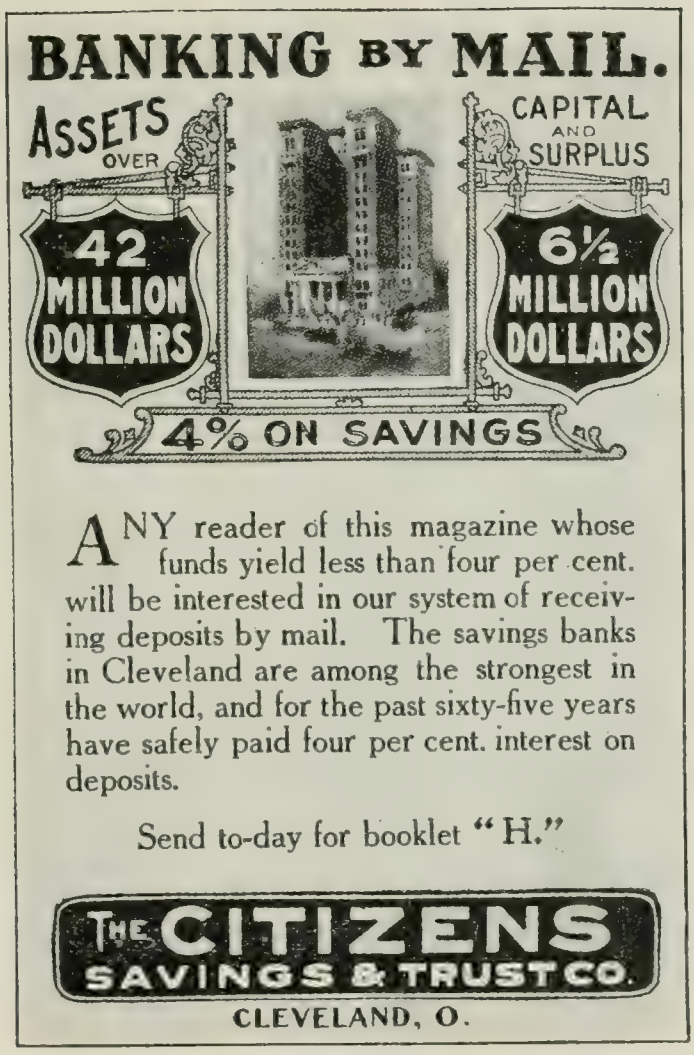

BANKING BY MAIL.
ASSETS OVER
42 MILLION DOLLARS
CAPITAL AND SURPLUS
6½ MILLION DOLLARS
4% ON SAVINGS
ANY reader of this magazine whose funds yield less than four per cent. will be interested in our system of receiving deposits by mail. The savings banks in Cleveland are among the strongest in the world, and for the past sixty-five years have safely paid four per cent. interest on deposits.
Send to-day for booklet "H."
THE CITIZENS SAVINGS & TRUST CO.
CLEVELAND, O.

FIGURE 8

Banking By Mail
4%
Compound Interest
Convenient, Safe, Profitable, Confidential
Resources over $10,000,000.00
Reserve over $3,000,000.00
In Eastern Banks (and some Western ones), if you withdraw in June the Savings Deposit that you made last October, you lose all of the interest. In this bank you don't.
The Scandinavian American Bank of Seattle is recognized as one of the strongest Banks in the Northwest, one of the most conservative in the world. The people of Washington have built up its Savings Deposits to the largest total in the State.
Growth of Deposits
$ 19,256.08
117,216.58
421,815.96
966,989.74
1,757,863.03
2,621,235.82
5,487,968.90
7,739,505.69
9,183,797.86
Home of Scandinavian American Bank
Simply mail your deposit --or first write for booklet-- just as you wish.
SCANDINAVIAN AMERICAN BANK
SEATTLE, WASHINGTON

FIGURE 9

BANK BY MAIL

Just as easy to open a savings account with us as though you lived next door

We Pay 4% Interest

Compounded Twice Every Year

Our plan, in addition to being convenient, *is safe, profitable and liberal.* That's why we have over 16,000 savings accounts from almost every state in the Union, and our customers are our best advertisements. *They know* that in case they desire to withdraw before the regular compounding date, *all the interest is not lost*, as is the case in many banks. *They know* that our institution is *one of the strongest and most conservative banks in the world.*

Resources Over $2,500,000

Write today for our free booklet
"BANKING BY MAIL"
Or simply mail your deposit

OREGON TRUST AND SAVINGS BANK

Learn more about Oregon PORTLAND, OREGON

FIGURE 10

Analysis

Deposit bearing 4 per cent.; a savings deposit bearing 4 per cent., and to tell about the Board of Directors and about the size of the deposits.

What does it all mean?

The poor reader gets a confused jumble of claims, offers, wise sayings, promises and declarations.

Contrast these two letters. Which is the more forceful?

The letter following was sent at about the same place in the follow-up by a Cleveland company, and is a fair example of the average savings bank mail-order work:

Some time ago, at your request, we wrote you relative to our system of "Banking by Mail," and have retained your name upon our mailing list and sent you other literature from time to time. We have done this because we are desirous of making you fully acquainted with the past history of this institution and the facilities we are enabled to offer to our out-of-town depositors.

We now enclose you herewith a copy of the rules and regulations of our Savings Department which may bring out some points not sufficiently explained in our former printed matter, and we wish particularly to call your attention to one special feature of our plan; i. e., the interest on all money deposited, if not withdrawn when due, is compounded twice a year and becomes an addition to the original account, drawing interest at the same rate. This is not the case with bonds, stocks, real estate mortgages and other high-grade securities which do not afford the means of re-investing the income therefrom so as to obtain the benefit of compound interest. Four per cent. interest compounded every six months for a term of years is actually more profitable than five per cent. simple interest.

Another point of advantage lies in the fact that the depositor may withdraw all or any part of the amount standing to his credit at any time he may need it, a rule of the bank being, that under ordinary circumstances, no notice is required for the withdrawal of funds.

We also enclose you an addressed postal card and shall be pleased to receive an expression from you as to whether we may hope to receive your deposit, however small, in the near future.

Yours very truly,

———, President.

Here again we see the tame and uninteresting opening as was mentioned in the chapter on "Personal Letters." The paragraph on the advantages of compounding 4 per cent. semi-annually is the only ray of light in the whole letter, which fades into utter darkness in the tame and inconsequent closing paragraph.

A Tame Letter

We have but to consider these letters in the light of what we have already learned in the discussion of personal letters to see how weak has been a follow-up advertising that has produced relatively good business. If this effort, poorly directed from the standpoint of successful mail-order experience, can produce profitable business, how much more can be done when banking by mail is served by the same grade of advertising intelligence, experienced resourcefulness and grasp of fundamentals as have

made the American mail-order business the greatest thing of its kind in the world.

The Greatest in the World

The use of the magazine space is rarely individualized because most of the banking-by-mail folks are cribbing from each other, as we have seen in Figure 1. I happened to pick up a booklet sent me by a Southern bank that had just opened a banking-by-mail department, and with the title of "Banking by Mail Facts" it had cribbed bodily, with but the change of the name of the concern, a booklet published under the same title by the Cleveland Trust Company. Of course, such cribbing is absurdly foolish, apart from being downright dishonesty, and neither I nor you would think of trusting money to a banking house that would steal ideas and the work of another in such a fashion.

Banking by mail advertisers are following a few leaders like so many sheep.

Figure 6 is a typical Cleveland Trust Company display advertisement, while Figure 7 shows the way the same company uses the reading form of advertisement to advantage.

This latter form is good where your appropriation will permit of the expense, and you have a good story to tell.

In Figure 8 we see the effect of a lack of knowledge of the rules of display. Much of the space that could be given to getting a message to the public is taken up with the small half-tone, and the confusing black-and-white design. There is not that dignity and solidity about this display as there is in the simple type arrangement of Figure 6.

Not Quite Candid

A glance only at Figures 9 and 10 is all that will be required to realize how closely they resemble the same old thing, except that Figure 9 cannot quite get away from the old dyed-in-the-wool belief that figures—big, whopping big figures—must always have an hypnotic effect on the public, while Figure 10 stays suggestively close to the advertising of the Cleveland Trust Company. The copy in Figure 10 is peculiar, inasmuch as it appears to make a promise and doesn't. It does not impress me as quite candid, and that is a bad impression for any bank advertising to leave.

We should not despair. There is something new and startling, after all!

Here in Figure 11 is an advertisement that actually appeared in a half-page space in a popular magazine. I shall not attempt to analyze its

THE WEALTH OF OREGON
IS SO GREAT
that its most progressive bank
can pay 4% interest
on savings deposits
and yet has been
able to accumulate resources
amounting to
TWO and a HALF MILLIONS of DOLLARS
16000 SAVINGS ACCOUNTS
FROM NEARLY EVERY STATE IN THE UNION
Write for our Free Booklet
BANKING BY MAIL
OREGON TRUST & SAVINGS BANK
RESOURCES
$2,500,000.00
PORTLAND, ORE.
RESOURCES
$2,500,000.00

FIGURE 11

failings, but leave it to the average reader as an example of what can be done by an untrained and unskilled hand and mind to make a bank ridiculous while striving after something "different."

The Use of the Coupon

I do not believe the banking by mail people have made enough use of successful mail-order methods. As an instance, the coupon has been pretty generally adopted by mail-order advertisers, and by tests the advertisement with a coupon has been proved more effective than the one without. The only attempt to use the coupon I remember to have seen in a savings bank advertisement, appeared in the one shown in Figure 12, and that was rather unfortunate because the coupon was badly used.

The most successful coupon users have been book publishers, and I have used it in advertising a specialty. My personal experience leads me to be a warm supporter of it whenever anything specific is to be asked for, such as a booklet or a souvenir.

The advertisement should be so worded as to make the reader want the booklet, and the coupon should be so arranged as to make him ask for it.

The coupon is simply a part of the invitation to send for further information. It is an extra temptation to do it at once.

There are several simple rules for the use of the coupon.

All coupons should be on the lower right-hand corner of an advertisement which should occupy the lower right corner of a right-hand page. The reason for this is, it enables the reader with little trouble to himself to tear off the coupon and send it in.

No other form of coupon offers the same easy way of use of its appeal. In Figure 13 are shown some forms of coupons and how they are made to play an important part in the argument.

Tracing Results

One says: "The coupon cuts the price in half." Another, of a correspondence school, gives a chance to select some particular course of study.

There is another purpose which the coupon serves—that of getting a definite idea of what publication produced the inquiry. Each coupon has a sign or wording which shows in what publication it appeared. A careful reading of the illustration will show this.

This information is very important to the mail-order advertiser.

Banks could use it.

A request for our free illustrated booklet "E" carries with it no obligation to open an account. All we ask is the opportunity of explaining clearly why your savings should earn *4%*—the rate paid by all the savings banks in Cleveland for the past 65 years—and why your money will be absolutely safe if sent by mail to this institution—the oldest and largest of its kind in Ohio, with assets of over *42 MILLION DOLLARS.*

The CITIZENS SAVINGS and Trust Co. CLEVELAND, O.

THE HOME OF
BANKING BY MAIL

CAPITAL AND SURPLUS
$6,500,000.00

Cut and mail
this coupon
TO-DAY

E

Send me your free booklet.

NAME

ADDRESS

STATE

FIGURE 12

Bond, stock and investment houses could use coupons with great success, because they should have booklets or other literature that could be distributed to advantage in that way.

The coupon is not inherently an undignified method of advertising, for it altogether depends on how it is used, and what it is made to exploit. The fake stock schemer has used it with great success, and that is just why it should be used by the best houses.

A Touch of Salesmanship

It is a touch of salesmanship in an advertisement that no advertiser should be afraid to add, any more than he is afraid to put a deposit or remittance blank in his follow-up letters.

The average country banker has a banking-by-mail proposition of a more restricted field, where he cannot offer the high rates of the Pacific and Rocky Mountain States.

Another writer, commenting on the country banker's mail-order opportunity, says:

The only reason that it has been confined almost wholly to the banks of two great cities is that only the banks of those cities have had use for millions at four per cent., and also had faith enough in their own plans to spend thousands in asking for the deposits.

But the business should not be and will not be confined to the "four per cent." banks of Pittsburg and Cleveland. It will not be monopolized by city banks at all.

More than three thousand country banks in the United States have a better proposition to offer than any of the city banks now heavily advertising for mail deposits.

The Country Banker's Opportunity

They offer every element of safety, and can afford to pay a higher rate of interest. Their literature can be made more interesting and more convincing, because they have a better story to tell. The average American who puts his money in bank would like to know how the bank uses it. The much-advertised mail banks do not tell. They say, in effect: "It is no business of yours what we do with the money we pay you four per cent. for. We have a twenty-five story building, a big capital, and forty millions of the people's money on deposit; therefore we are all right."

The country bank, located in a rapidly developing section, where there is a good demand for money at 10 and 12 per cent., is just as sound as the big city bank, and can make more profit on a six per cent. dollar than Pittsburg and Cleveland can make on a four per cent. dollar. And it is in a better position to explain how it makes its money than the city bank is.

This kind of bank needs only an amount somewhere between $5,000 and $50,000. It cannot afford to go alone into the columns of the Saturday Evening Post, McClure's and other costly mediums of general circulation to solicit these special deposits. But a hundred such banks, able to use a million or two between them, will some day organize a co-operative advertising campaign in the big magazines, and they will get the money.

The urgent need of this day, however, is a simple system of bringing in the deposits of people living within forty miles of the bank—those a little too

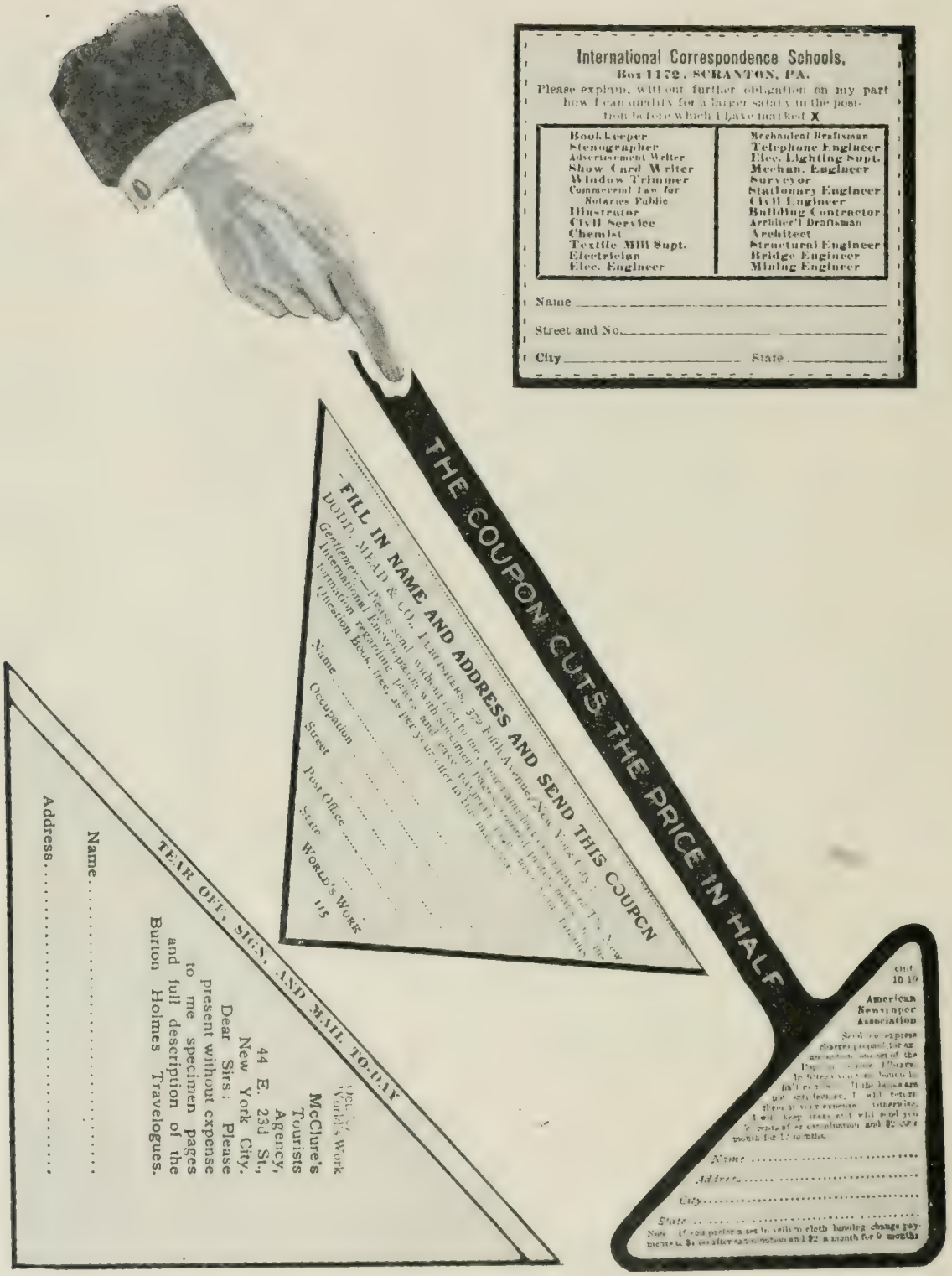

International Correspondence Schools,
Box 1172, SCRANTON, PA.
Please explain, without further obligation on my part how I can qualify for a larger salary in the position before which I have marked X
Bookkeeper
Stenographer
Advertisement Writer
Show Card Writer
Window Trimmer
Commercial Law for Notaries Public
Illustrator
Civil Service
Chemist
Textile Mill Supt.
Electrician
Elec. Engineer
Mechanical Draftsman
Telephone Engineer
Elec. Lighting Supt.
Mechan. Engineer
Surveyor
Stationary Engineer
Civil Engineer
Building Contractor
Architect'l Draftsman
Architect
Structural Engineer
Bridge Engineer
Mining Engineer
Name
Street and No.
City
State
THE COUPON CUTS THE PRICE IN HALF
FILL IN NAME AND ADDRESS AND SEND THIS COUPON
DODD, MEAD & CO., PUBLISHERS, 372 Fifth Avenue, New York City.
Name
Occupation
Street
Post Office
State
WORLD'S WORK
115
TEAR OFF, SIGN, AND MAIL TO-DAY
McClure's Tourists Agency, 44 E. 23d St., New York City.
Dear Sirs: Please present without expense to me specimen pages and full description of the Burton Holmes Travelogues.
Name
Address
American Newspaper Association
Name
Address
City
State

FIGURE 13

far away to come to the bank in person, and not so far away but they can readily satisfy themselves as to the bank's home standing.

Some will say, "We cannot cover whole counties because we cannot get the names." Don't give up on that account. There are other methods of reaching the people. You can hire a trustworthy boy who will ride a wheel over every road for forty miles and place a packet in every house, in town and country, at about the same cost as the penny postage—and perhaps at only half the cost. Find the right boy and the rest is easy.

The country banker generally does business with people who live within easy physical touch of his location. He could, as some do, teach the people whom he has never seen some of the advantages of banking by mail. In any prosperous farming community the farmer has no need of a large, active, commercial account. He is frequently, in prosperous times, in the position to buy certificates of deposit or put money away in the savings side.

His Special Problems

The country banker by the mail-order idea is in a position to get some of this money, and can show the farmer an advantage in handling his business through a bank distant from his home.

To do this the country or small town banker (and I do not mean the rural banker entirely when I say country) must prepare himself a list of the better class of taxpayers in non-banking communities, and send personal letters and explanatory advertising by mail. He must use their country weeklies and the dailies of his own town for an occasional advertisement on the subject.

In Figure 14 I show an advertisement of a bank in a small town in Michigan, which is fairly reflective of an attempt to create a banking-by-mail business, and what is just as important, meet the competition of the out-of-town banks.

The Old National Bank of Battle Creek, Michigan, has fifty-seven years (1907) of experience to back up its endorsement of the mail-order idea. The little book it issues is one of the most attractive and most interesting talks on the banking-by-mail idea that I have read. I reproduce it to show how a bank in a minor city can make a strong appeal to the people of outlying districts. On other pages I reproduce the pages of the booklet, including the illustrations, as you will no doubt be able to see many places where your case is similar.

A Battle Creek Bank

Some such talk as this in the monthly paper a country bank may be issuing would be a good thing:

Do you sometimes have small accounts which you would like to put in a bank, but are kept from doing so by the distance to go to put it in and to

Banking by Mail

Is no longer an experiment but a tried and proven success—

We have just issued a booklet on the subject that tells how it is done.—

We will be glad to have you call or write for a copy—It's interesting and it's FREE—

No matter where you live, you can have your savings or checking account with us. The mails bring the bank, so to-speak, to you, and the safety and profit afforded by an account in a strong bank is at your door—

Safety is assured by our Capital and Surplus of $125,000 and Resources exceeding $1,000,000—Profit is assured by the fact that we guarantee you THREE PER CENT INTEREST on Savings Accounts.

Write or Call Today for Booklet

Marquette National Bank

MARQUETTE, MICHIGAN

FIGURE 15

LASTING PROSPERITY and safe banking grow in the same soil. A city with railroads and electrical lines radiating from it like spokes from the hub of a wheel, with mercantile establishments and stores making that city an attractive trading place for people living near it, naturally will attract trade from a long distance.

A city having large factories paying thousands of dollars annually for labor and raw material, will attract population and capital.

Such conditions are to that city what rich soil, sunshine and rain are to the crops; combined, they produce the harvest, and these conditions mean to a bank a great opportunity for the safe investment of money.

Look at the map and notice the advantageous location of Battle Creek. It is today the central market for a territory within forty miles. Quick and cheap transportation serve 100,000 people within this natural trading distance.

It has over 50 factories with over 5000 people on the regular pay rolls.

The merchants are numerous and prosperous. Trade is growing rapidly, owing to their ability to attract customers from a distance with "price and quality."

Battle Creek is very fortunate in having these ideal banking conditions and that is why it is today the natural financial center of the territory between Detroit and Chicago, and one of the reasons why the Old National Bank is one of the strongest and soundest banks in Michigan.

In times past, when the banking conditions in this part of the State were exceptionally hard, the Old National Bank was then managed as it is now, upon a broad and substantial basis.

It has been more than a bank for "profit"—it is the financial stronghold of this community. The Old National Bank has grown with Battle Creek and contributes to its growth. Its stockholders and directors are the prominent merchants and manufacturers of this city.

The policy of this bank has always been "fair dealing and home development," a policy that has raised a big crop of local prosperity, and because of such a policy of mutual interest, its roots are down deep and strong in soil rich and productive.

During 57 years of successful banking, it has proved itself hardy and enduring.

This bank withstood the financial hurricane of 1857 and 1875, years that wrecked banks by the hundreds all over this country.

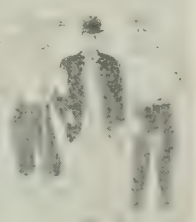
It withstood the unproductive and destructive years of the great Civil War of 1861 and '65—the

FIGURE 15

years of severe financial drought and hard times in 1893; in other words, the Old National Bank has been tested by the greatest test of all,—TIME.

It is not a bank of promoters, not a bank of sensational mushroom growth, not a bank of personal interests; it could not be these and be solid.

The Old National Bank has, for over half a century, been a bank for and a true friend of the farmers, the merchants and the wage-earners in this community, a bank for those who seek safety most of all and a fair earning rate of interest for their money.



For fifty seven years the Old National Bank has paid every dollar to depositors on demand. Its sound and safe banking methods in the past should be a sufficient guarantee for the future.

Its ability to "pay on demand" has made it the financial stronghold of Southern Michigan.

It has a right to your confidence and the desire to be "YOUR BANK." In order that you may have all the advantages of a strong savings bank, we are, through our "banking by mail" system, bringing the Old National Bank practically to your very door.

By the use of this system it is only a matter of a few minutes to send a deposit to the Old National Bank at Battle Creek and a matter of a few hours to receive money you may send for from the hands of the postmaster or the rural mail driver.

Our "Banking by Mail" system is used by hundreds of depositors outside of Battle Creek, who greatly appreciate the privacy for their money affairs.

When you have a savings account with the Old National Bank in Battle Creek, no one will have knowledge of the fact or know the amount of your deposit. That is a matter of confidence strictly between yourself and this bank.

You have absolute control of your own savings account and no one but yourself can ever withdraw your money except by your written consent.

Think this matter over and decide to place your savings or idle cash in a bank where it is absolutely safe and where you can get what you have a right to have, namely, 4% interest.

The following pages will explain how easy it is to bank by mail with the Old National Bank of Battle Creek.

The first thing to do is to fill out the enclosed identification card, signing your name in full so that we may use same as a means of future identification. After deciding the amount of money you wish to deposit, the next step is to purchase a Postal or Express Money Order or bank draft, making it payable to the Old National Bank of Battle Creek. Enclose the same with your identification card and mail to this bank. When the deposit and the signature card are received by us, we will promptly mail your Savings Pass-Book showing the

FIGURE 15

amount of your deposit properly credited.

We will also send for future use, printed deposit tickets and withdrawal checks. It will not be necessary for you to write a letter each time you wish to deposit or withdraw money, if you keep them on hand with your pass-book in special pouch which we furnish for this purpose.

Once you have opened a Savings Account, it is a very simple matter to bank by mail. To make future deposits, it only requires that you purchase your money order, fill out the deposit ticket, enclose it with your pass-book and mail it to the bank.

If you wish to withdraw money any time, simply fill out a withdrawal check stating the amount you desire. We will immediately send the amount requested.

Drawing money by mail is just as safe as coming to the bank, and no more trouble.

Savings accounts may be opened with $1.00 or more, and on the first days of every January, April, July and October, interest at the rate of 4% per annum will be paid on all savings accounts for the three months next preceding said days

Money deposited on or before the fifth of said months, draws interest from the first day of said months.

The United States Government banks by mail with this bank, why can't you?

We invite you to take time, when in Battle Creek, to visit this bank and get acquainted with its officers. We make special efforts to become personally acquainted with every customer.

We are here to be of service in this community, and any time you may desire to transact any business in Battle Creek, anywhere in the United States or abroad, don't forget that we have facilities for doing it.

All our business relations are strictly confidential, and if at any time you desire to have our advice upon some financial matter, remember we value your friendship and will gladly be of any service to you.

Special Savings Account

The members of Lodges, Churches and Granges will realize the importance of having the funds of their organizations deposited in a strong bank. We arrange to take such accounts and pay thereon 4% interest compounded quarterly, the same as a private account.

We open special accounts with husband and wife, so that either can deposit or withdraw, and in the event of death the account will stand in the name of the survivor.

We open accounts for children or minors subject to the control of parent, guardian or relative.

Accounts of [illegible] and are made subject to [illegible] control.

By opening these accounts [illegible] certain legal advantages are obtained which are desirable.

FIGURE 15

Ask the Question that Makes You Hesitate

CAMERON SAVINGS BANK,
JOHNSTOWN, TENN.

Gentlemen:

I have read your booklet, "Banking by Mail," and would like to have you tell me, before concluding to act on its suggestions:

_____

_____

_____

It is understood that if you answer the above, it places me under no obligations to open an account.

Signed_____

Business or Position_____

Street _____

Town and State_____

FIGURE 16

get it out again? We have provided for just such cases in our mail-order department.

How it Should be Phrased

If you have money to send, all you have to do is to go to a postoffice and buy a money order, or put the money in a registered letter and send it to us and get credit for the full amount, including registry or money order, free; if you have a check, draft, money order, school or county warrant, you can indorse them on the back to our order and mail to us at our risk—they need not be registered. On receipt, we will treat it in either of the three following ways, as you may choose, viz.: Put it in our savings department and we pay you four per cent. straight on amounts remaining three months or more, interest compounded every six months; or we will send you a time certificate of deposit and pay 4 per cent. for three months, 4½ per cent. for six months and 5 per cent. for a year. These certificates can be cashed at any time if you need the money, but you lose the interest unless they remain the length of time written for.

Suggestion

Or, we will put your money in an open account to be checked on sending a bank book, a signature card and some checks. You can check out your money in such amounts as you may wish and we will make the checks par anywhere you may send them, that is, we will remit for them at par to any bank or firm sending them to us. Of course, if you should send them to a stranger, they would have no way of knowing that you had the amount here, but many of your regular dealers would take them and bank them. We are having some certified checks printed that can be filled up to five and ten dollars, which can be sent anywhere in the United States. The open or checking account will be the best for money that you want to use right along, and the savings or certificate will be the best for sums you expect to hold a while and get interest on.

If you want some of your money back right away on checks mailed us, we will send you, by registered mail, such a part of it as you may want, and the balance, or any part of it, at any time at our expense.

You may wonder how we can do this, but many of the largest and strongest banks in the country have gone into this banking by mail for distant patrons, and their universal testimony is that it does not cost as much as the business taken in over the counter, and they expend on it thousands of dollars in advertising in the expensive magazines, so we have concluded that we can safely accommodate the people in our end of the county and make it mutually satisfactory and agreeable.

We invite you to start an account. Will take anything from one dollar up to a million dollars. Begin with the dollar and who knows but what you may end with a million?"*

When you have received an inquiry the important thing is to keep after the prospect, and *make* him do business with you.

The tact and salesmanship with which you handle him will bring or lose the results that are there for you.

This Way is Right

Treat *every* inquiry as though it were a bona fide attempt to do business with you.

Remember that you have paid money to get that inquiry and that you do not get your money back unless you get some business.

*Published by the Bank of Issaquah, Wash., in its monthly, the "King County Reporter."

CONFIDENTIAL BLANK

FROM THE

CAMERON SAVINGS BANK

JOHNSTOWN, TENN.

John Blank, Cashier,

Dear Sir: I am answering the following questions in order that you may be able to show me how the Cameron Savings Bank's banking-by-mail plan can help me to more profitably save money.

Have you carefully read our booklet, "Banking by Mail?" _____

What objection to our plan have we left unanswered? _____

_____

Have you a savings account drawing 4% at the present time? _____

Is it perfectly satisfactory? _____

If not, why not? _____

Can we give you any advice as to any investment you are considering? _____

_____

How much can you afford to save each month? _____

I understand the above places me under no obligations of any sort.

Signed: Name _____

Occupation, Business or Profession _____

Street _____

Town and State _____

IMPORTANT NOTE:—The above is given us in strict confidence, and only with the idea of having us tell you how we can serve your best interests. Our relations with our depositors are intimate and confidential, and we cheerfully give any help we can to those whose financial experience teaches them the value of such knowledge as a banker must have, to succeed.

JOHN BLANK, Cashier

FIGURE 17

Your letters should be arranged, not in a single set of four or five, but arranged to suit special conditions. **Single Rules**

Every advertisement you put in a publication speaks of your booklet, "Banking by Mail," that is one piece.

When you get an inquiry for it, send it, with a letter calling attention to several important pages in it. Mark the pages which you think applicable to the case, as you will get hints from the way the inquiry is written. As a last paragraph call the possible customer's attention to a card somewhat similar to the form shown in Figure 16. Ask him to use the card. This card is an idea used successfully by specialty houses and investment concerns.

It gets the prospect to answer your letter and to state the objections in his mind. Mind you, if you don't know these objections you may never get him to reply, and you may go on and never answer a simple objection that, if you knew what it was, you could remove by a line or two of explanation. **Getting at the Objections**

This card does not point to any specific question, but it gives you some specific data about the man; i. e., his business or position.

If he returns the card, which should have an addressed envelope with it and should not be arranged as a postal because he wants privacy, you should then answer any question fully and freely in a personally dictated letter.

Another way to get returns on an inquiry is to send out sometimes in the follow-up a sheet called a Confidential Blank, of the order of that shown in Figure 17, which gives you still more information and serves as a text on which to hang future letters.

Such a blank arranged to suit the exigencies of the situation will serve to make the prospect's interest active and personal.

The objection may be made that people will not sign the card or the blank. I shall have to differ with that, but even if they didn't, the effect is to impress the average man that your bank is indicating a real, personal interest in its depositors and prospective customers.

In all letters remittance blanks should be enclosed. They are a constant suggestion to fill one out and send it in. **A Constant Suggestion**

In handling special letters resulting from your follow-up, *don't,* above all things, don't reply with a cold, perfunctory, ready-letter-writer

Some Suggestions

style of a letter; show your interest, your pleasure, a tact and a desire to do business, in every line.

Don't use a rubber stamp signature under any circumstances, but make it personal in all the little things.

Follow up your prospect at least four times, giving him five days to answer the letter after he has received it.

Maintain two lists:

(a) Special Prospects—Which will be those who have inquired and whom you have not been able to turn into depositors.

(b) General Prospects—Composed of those in your territory whom you have not been able to get to call, inquire or signify any interest.

These lists should be treated differently. The "Special" list should be gone over at least once in three months, after you have given each the four-letter follow-up, with a personal letter, for one year. At the end of the year you should send out a letter, enclosing a return card, calling attention to your calendar, almanac or new booklet on "Banking by Mail" (for you should get out a new one each year) and offering one free if the card is returned.

Cut out all those who do not reply, except names of those whom you know to be good prospects. The dead or removals the postoffice returns will take care of.

The "General" list you should cover with printed matter, such as a monthly paper or circulars, and at least twice a year a personal letter.

One of these letters should be the annual letter sent to the "Special" list. Clean out your general list by means of the dead and "returns," "removals," etc., and when you get new tax lists make changes and additions.

Always keep after the customers you already have, because they are reading the advertising in other publications and are being solicited by other banks.

Try Out Your Lists

Try out your lists.

When you want to enter a new territory prepare two or three letters and proceed on a regular plan, such as I show under Campaign A, on another page.

Keep a record of what you do with each letter, the number of replies, the amount of business that comes from those who made inquiry as a result of the letter. Some Suggestions

In another chapter I show the best systems for caring for these records.

If a letter proves effective in one territory try it in another, and in that way you can frequently save money by not spending it on weak or ineffective letters.

If your lists are big enough, divide into lines of business or occupations. Occasionally, when a raise of wages has been given the workers in an industry, send a letter on the "Save some of the increase for the rainy day" order to the voting lists in the district affected.

In reproducing letters do not crowd them; give plenty of margins, and do not, just because it is a mail-order proposition, use cheap stationery. Don't put the handicap of poor printing on anything you do.

The follow-up letters should be a series of chapters, each a part of the story, but each a little story in itself. Don't write letters that are like a series of bumps, each standing alone without relationship to the other.

Refer constantly to what you have said before, and at the same time keep the reader's attention focused on something new.

Use two-cent stamps on your letters and send your advertising with your letters. Don't use the penny-saver envelopes unless you are writing to people whom you know receive very little mail. In these days of rural free delivery make no mistake about the farmers.

The one-cent stamp is a betrayer of your purpose. A two-cent stamp hides many an advertisement until it gets a chance to get the prospect's interest.

In the case of more elaborate follow-ups for banks after the more sophisticated public, I would suggest a different line of action.

Let each letter be written on different stationery, in differently shaped envelopes and of different colors. On some of these I should not use a corner card or any other mark of identification. On the first one, of course, I would always have the return card, so I could be sure of the name and address being correct.

This method is more expensive, but it has been found to be a wonderful result producer in many cases where I have tried it.

CHAPTER XXI

GETTING RESULTS FROM THE ARTIST AND ENGRAVER

THE PICTURE LANGUAGE—THE CHINESE AND THE AMERICAN INDIAN—FIGURES OF SPEECH NEARLY ALLIED TO EYE PICTURES—THE KIND OF PICTURES THAT APPEAL—DIFFERENT KINDS OF PEOPLE CALL FOR DIFFERENT PICTURES—THE PERSONALITY OF THE ARTIST—ANALYSIS SHOWS THE SAME PRIMAL CAUSE AMID THE WIDELY DIFFERENT EXPRESSIONS—THE IMPORTANCE OF MEDIA, OIL, WATER COLOR, WASH, LINE—THE WEAKNESS OF SYMBOLISM—REALISM OFTEN IMPOTENT—NATURAL AND REALISTIC NOT SYNONYMOUS—MR. JOSEPH PENNELL—TOO MUCH ART—WHAT IS A GOOD ILLUSTRATION?—THE ILLUSTRATION THAT WILL FIT ANYTHING ADVERTISES NOTHING—THE IMPOTENT EYE-CATCHER—THE "BLIND" ADVERTISEMENT—CONTRASTS—RULES FOR THE APPEAL—THE "COPY" FOR THE ENGRAVER—METHODS OF REPRODUCTION—RETOUCHING—ZINC ETCHING—HALF-TONE—MULTI-COLOR ENGRAVINGS—NEWSPAPER AND MAGAZINE ILLUSTRATIONS—COMMENT ON ILLUSTRATIONS

A PICTURE speaks in an universal tongue.

The very first language that was written was sign language, and our own letters were originally pictures or symbols, as Mr. Walter Crane suggests in his "Line and Form."

The Appeal of the Picture

Look at the ruins of ancient Egypt, or of early Babylon, and the written language was pictures, mere outlines, very primitive, it is true, but nevertheless pictures, and intended to be pictures or symbols of things.

The Chinese today write in a picture language; the signs are arbitrary. The American Indian wrote his story in pictures and wrote his messages in symbols. So, from the time of primeval man to the present, pictures have talked in a tongue understandable to all.

It will be found that wherever cogent aid has been brought into play to influence the mind toward a result, that it has been by way of illustration, to produce a mental picture before the mind's eye whereby the mind could more easily grasp it. It is for this reason we find that the talk of those popular lecturers who appeal particularly to the masses, is couched in highly figurative language, so that the association of ideas produces the results they desire to obtain.

Figures of speech, allegories, verbal illustrations, "wind sketches," as the slang phrase puts it, are all unconscious tributes to the psychology of the picture.

As there is a vast distinction between the kind of illustrations that appeal to this or to that class, so the advertiser, in his endeavor to reach

the public through illustrations, must train himself objectively to accurately gauge the calibre of the artistic perceptions of those to whom he appeals. An illustration of this, for instance, may be found in the picture of a beautiful dog, which may be painted with artistic conception of color, light and shade, true proportion, a thorough knowledge of the anatomy of the animal, and yet that picture has no appeal to one who does not love or know dogs. The same skill devoted to the illustrating of a beautiful woman in her bath, painted with fidelity to nature, would obtain large protests of admiration, with the inevitable result of disparaging criticism of the dog picture in comparison.

Why Some Pictures Fail

In the same way we have the illustration of some episode of home life, with its little tragedies, its sorrows and its tears, or on its lighter side, with smiles and jollity, appealing to the simple primitive emotions of mankind.

That same type of picture would not appeal, however, to the man or woman whose life and interests and sympathies and sentiments were more sophisticated.

Again, there is a subtle appeal in the highest art, which may not be analyzed to the satisfaction of the average man, but it is in the printing, correctness of line and color and shade and light, in the expression of a dominant feeling that represents the artist's attitude towards his subject, as every personality is a prism through which actual things are reflected or deflected.

As the personality of the artist must, of a necessity, in any illustration, be a more or less clear glass, as it were, between you and the subject, as emotions and sentiments must to a large extent dominate the artist in the depicting of emotions and sentiments, so, as these emotions or sentiments are within the experience of those who contemplate the picture, the picture appeals, repels or leaves indifferent.

Art, after all, finds myriad expression.

Given this condition in nature—a beautiful day in June in the country, where the flowers bloom, the sky is blue and the sunshine and the air combine to make it a perfect day.

Place in this an artist, a poet, a prose writer, a sculptor and a man of affairs. Each one will express in a different way the feelings that this environment and condition produce. The same psychology they all feel, but it is expressed in different ways and may be read back to its primal cause.

Poet, Writer, Sculptor, Man of Affairs

So it is with the illustrators; some can use oil to an infinitely better degree than they can either wash or line or water-color. They know their medium better, because in every art there is always a substratum of science and in the art of painting the man who has not thoroughly mastered the science of form and colors has yet to find that complete expression which the mastery of the technique of his subject will give him.

Advertising has placed under tribute the highest realizations of the illustrator. It is making use of all grades of artistic skill and brains.

The Illustrator's Attitude

The illustrator's attitude is different from that of the advertising man, who sees the whole argument, sees the selling point in a picture; he feels the appeal in a picture.

The advertising man, in order to handle commercial art to the best advantage must have yet something of that artistic element in him that can make him see the force of an argument in a mental picture.

The great difficulty has always been that in commercial art symbolism would be introduced. The symbolic is rarely effective. For instance, in advertising a bank, there has been an attempt to represent a naked lady with a cornucopia, or horn of plenty, out of which dollars were rolling. This was supposed to suggest to a poor working man that he was, by depositing his dollars in the small end of the horn, laying up plenty for his future.

It is ventured that the man of average intelligence, a hard-headed, common sense, plain workingman, has neither the time nor the inclination to solve the subtleties of high art.

The difficulty has been, however, in ignoring the artist who could see things only as an artist saw them, the advertiser has gone the whole way towards cheapness and ignored the man who could draw. Now, it must be apparent to any man who thinks for a moment that it doesn't matter from the standpoint of the average man how much art you cut out of his pictures, provided you leave the drawing there. When you give him poor drawing, you do not stoop to his level, but you ignore the scientific basis of all illustration, which is to represent a thing true to what it appears to be.

"True to Nature"

This is a somewhat clumsy way to put it, perhaps. When I say "true to nature," I mean true to a natural way of seeing it, which is an entirely different thing from realism.

If advertisers would stop to consider the easily ascertainable facts in the case they would soon find out that their illustrations were adversely criticised because they did not "look natural."

"Cheap" Illustrating

The average man does not analyze *how* he feels. If he sees an illustration in which the figures of the men and women are as big as the horses, or the steering wheel on an automobile looks like a barrel hoop in comparison with the size of the driver's head, or if the color of the grass has too much yellow in it, or if the bank book in the child's hand looks like a copy of Webster's Unabridged, he probably says nothing, he probably thinks nothing, but there is "something wrong," a contrary effect, a failure to get there with the point, which is due to cheap illustrating.

It doesn't matter how much is paid for such illustrating, the fact remains that it is cheap.

Mr. Joseph Pennell, one of the cleverest illustrators of the modern day, said in his lectures on "Illustration" before the students of The Slade School, University College, London, several things worthy of careful consideration by the man who buys illustrations:

> "An illustration is really a work of art, or rather, it should be, which is explanatory, but, as a matter of fact, so, too, is all graphic art explanatory of some story, sentiment, emotion, effect or fact; and it would be very difficult indeed to point out when art is not illustrative. * * * As a preliminary and also a final word to you, I would say, you must draw, draw, draw, draw, first, last and all the time, and until you can draw, and draw well, you cannot illustrate."

After all, no matter how artistic we desire to be, we must not forget that we are advertising a business. Within certain distinct lines we should be artistic. We could suggest by a picture, as well as realize by a picture; it is not necessary, however, that we should become symbolical, that we should become subtle to the vanishing point of interest.

Commercial illustrating is mainly intended to catch the sentiment and point in a commercial argument, to give it expression in a picture so that the eye may catch it without the mind's complete surrender to the prose. Commercial art has for its first requirement attractiveness. We must leave it to the wording of the argument, or selling point, to accomplish the other two requirements of interest and persuasion.

Are We Agreed?

I trust we are agreed that pictures will attract, because they have a universal appeal.

We are agreed that entirely different kinds of pictures attract different people.

When in town don't forget to stop at the

Parson's Bank

where you can have all accommodations for transacting your business.

$25,000 CAPITAL
5,000 SURPLUS

FIGURE 1

—Courtesy of George Elbridge Company, New York

FIGURE 2

We are agreed that there is a difference in pictures, not only in their subject, but in the manner of their handling. **There is a Difference**

We are agreed that the same subject, treated in different ways, may appeal to different classes of people, each one accomplishing more in its class than it could in any other class.

Assuming, therefore, that we have demonstrated that an illustration is an assistance, we must come to the next point; that is, what is a good illustration?

And this brings us to the first proposition that we previously laid down, namely, that a picture should always contain an advertisement in it when it is used for advertising purposes, and that space should not be wasted by publishing an advertisement with an irrelevant picture in it.

The best illustration of this probably lies in the accompanying Figure 1, which shows an admirable example of the advertisement with an illustration that will fit anything from a brewery to a horse sale. This kind of illustrating was for a long time, even in large cities, supposed to be the very cleverest kind of advertising that could be done. Figure 2 suggests the advertisement with a proper illustration. The figures are changed, of course, yet I will venture to say the revision is better for all cases, and in the second figure really looks like an American business man, while the other would be an insult to many. **Comparison of Figures 1 and 2**

There is a vast distinction between the two parts of this proposition. The primary essential is to drive home some particular argument you wish to make in the text, because we will both agree that the reason for the uniting of the artist and the writer is to increase the efficiency of the selling point by augmenting the argument's opportunity to be seen and understood.

If this be true, then we can only accomplish the desired end by obtaining a unity in the result; by making the picture illustrate the point of the argument so intimately, so completely, that the one would be weakened without the other. **If This is True**

There can be but one excuse for using illustrations in advertising. If we should adopt the idea that the eye-catcher, as it is called, should be something entirely different from the advertisement itself, we immediately assume something contrary to the best known law of common sense; i. e., that no man can effectively think of two entirely different things at the same time.

False Starts

If the mind and eye are attracted to an illustration of a boat in the water, and the wording is about coal—as the advertiser is a coal dealer—we certainly have started the mind to thinking of aquatic things, and the mind must reverse its action in order to take up the argument on good coal, which last is the real intent and purpose.

The main object of any advertisement and the main object of any advertising writer is to so handle the argument that the gist, the point, the thought, the suggestion, gets to a man before he has an opportunity to side-track it. The illustrating of one thing and the writing of another means that you have put a barrier up against your purpose.

In the old days it used to be thought the highest expression of clever advertising to start off with a wild shriek about some public calamity and gradually work up to an advertisement of somebody's goose oil.

This condition was due to two things:

The False Illustration

(a) The advertiser knew so little about advertising that he could not see wherein his proposition touched the self-interest of his readers, and thereby sought to sneak in his business through a more or less cunning play on their interest in other things. For this very reason advertising was long considered the refuge, as it was, of the literary mountebank and juggler.

(b) The condition of competition did not make it necessary for the self-respecting business man to enter the lists, which were left to the commercial cut-purse and artful dodger. When the business man did enter the field a different condition obtained, and the appeal to culture, refinement and conscience has become open and frank.

All art is founded on unity of sentiment and treatment. In many booklets, for instance, will frequently appear designs and drawings by several different artists. There is no continuity of feeling, no artistic oneness and concentration.

It is Concentration

If there is anything that salesmanship teaches; if there is anything that art teaches, or that successful advertising teaches, it is concentration, oneness of appeal. Concentration upon one definite thing, whether it be a possible customer, a single emotion or a single argument, must always win against diffusion.

A booklet or a folder, or any piece of advertising matter, must reflect the individuality of the craftsman, no matter whether it be a question of illustration, design or printed composition.

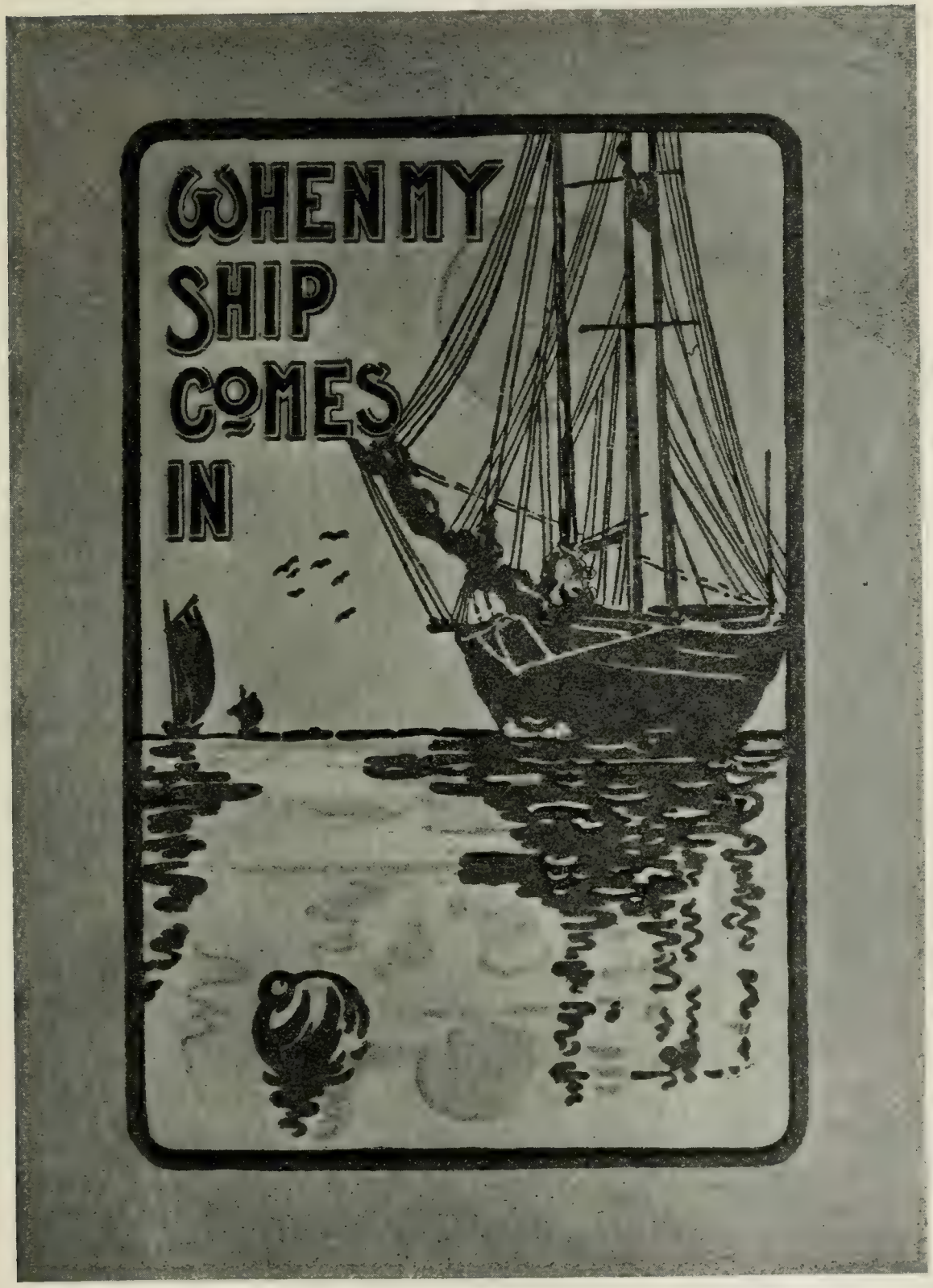


FIGURE 3

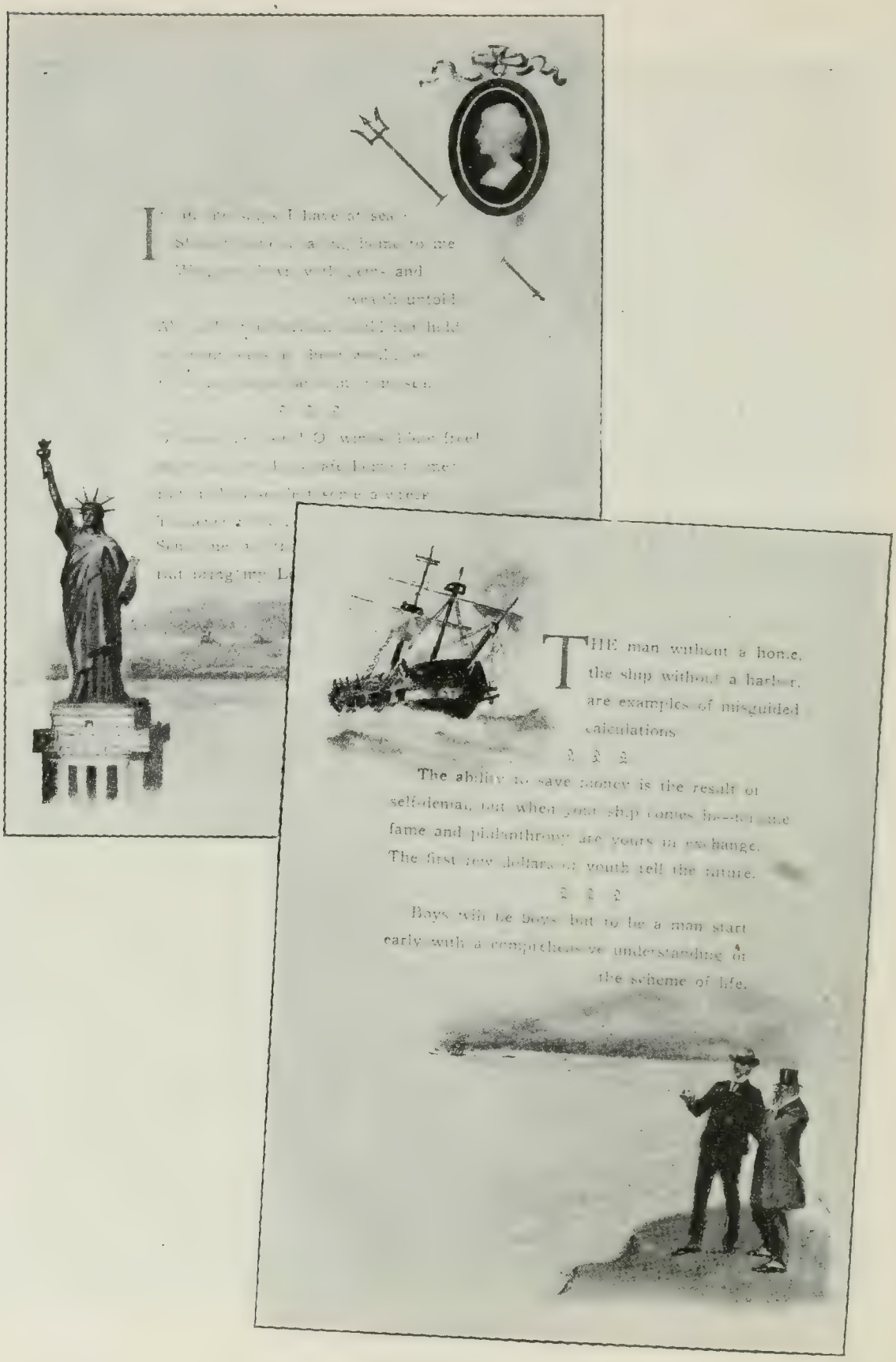

THE man without a home,
the ship without a harbor,
are examples of misguided
calculations
The ability to save money is the result of
self-denial, but when your ship comes in—then
fame and philanthropy are yours in exchange.
The first few dollars of youth tell the future.
Boys will be boys but to be a man start
early with a comprehensive understanding of
the scheme of life.

FIGURE 3

For instance, we take the printing of a folder. The advertiser too frequently leaves it to his printer, with the natural consequence that the printer expresses *his* idea of what the advertiser wants, which is generally determined by how much the advertiser pays for it. If the advertiser is liberal the printer will use a little better paper, add another color, put a few more ornaments in the display and call the result a better job.

Craftsman Individuality

Now, experience has shown that success requires each piece of work dependent on good taste for its success, to express an idea in itself.

The idea in an artistic arrangement lies in the power to accomplish a particular purpose through a truly harmonious unity of type and ink and paper.

There is a practical side to this as well as an artistic side. Booklets or folders that are to be sent out in the ordinary routine of business correspondence, should not be larger in page-form than the envelope in which they are enclosed. If they are larger, it means folding them, which means to destroy their symmetry and thus injure their appearance and their opportunity, therefore, to accomplish the purpose for which they are enclosed.

The Problem of How to Handle It

Having decided upon the size of the particular piece of printed matter, we are then confronted with the problem of how to handle it so that the proportion of the page, the size, arrangement and style of the type, the kind of paper and the colors of the ink, will all harmoniously express our intent and purpose to bring out certain definite ideas about the proposition we have to present.

We will make no attempt to enter into a lengthy discussion of the law of relationship between appearances and argument, but we will take one simple instance.

Why is it that the best bank advertising, where typographical and artistic appearance has been made to serve the purpose for which it was intended—namely, to express the individuality of the advertiser—has retained its dignity by maintaining quiet contrasts? Why are there no violent contrasts of black and white or colors?

Symmetry in Harmony

In advertising appearing for the foremost banks, where this phase of the subject has received attention, you will find light-face type, an almost complete absence of decoration, except light-face decoration in keeping with the type; you will find hand-made paper used; the color of the typography gray rather than black; a certain coolness and calmness

suggested; a dignity that puts the recipient in the frame of mind induced by a cool, calm salesman who without fuss or fluster, but none the less forcefully, gets the business.

The Effect of Training

The Figure 3 gives an excellent illustration of what a trained booklet artist will do in making a booklet for middle-class distribution. It is very clever and has gone through several editions. The inside is printed in three colors—black, orange and a coal-ash gray; the cover is in black, blue and white on a neutral tint stock. There is not a page in this little book that is not pretty, not one that does not breathe a pleasing yet provocative sentiment; nor is there a drawing or a line that is not readily understood by the average man. Unfortunately, however, most of the talk is colorless, absolutely lacking in the contrast that makes it tell. No man can speak interestingly without emphasis. A dull, monotonous, colorless tone of voice produces a degree of somnolence following on the heels of boredom that is exactly opposite to the necessities of successful advertising.

On the other hand, the appeal to the man of less refinement and culture, the appeal to the man of more simple emotions, therefore of less artistic perception and generally suffering from mental lethargy, requires emphasis to arouse his mind to attention and interest, and he requires a certain aggressiveness of attack in order to produce conviction.

His Suspicion

We may speak in the closet of the innocence of the poor man; but we must not forget that very material thing with which we have to cope in all advertising, his suspicion. We therefore have to deal in broad strokes and be downright in our appeal. This applies to the illustrative as well as to the typographic side of our advertising.

Designs for calendars, window cards, etc., have the same requirements of appeal as the advertisements in magazines or newspapers or by booklets or folders.

Before sending a booklet of any importance to the printer have the artist arrange it. You know what scenery is to a play—well, decoration to a book is much the same, and illustrations are a good deal like the tableaux.

Treat it as a Unit

He must lay out the book as a unit. The book may be plain, with a simple cover decoration; it may be elaborate with many different pictures, but as the reader progresses he should have no new man, no new individuality, after he has become acquainted with the first pages, to

change the mental position, the flow of thought toward the final conviction.

This brings us to the very practical side of the question. How are the results best obtained?

The Average Artist Not Capable

The average artist is not capable, and rather prides himself upon his incapacity of understanding the commercial point of view. For that reason you do not want to bother with the average artist.

The best artist is the man who, through long training and experience, has broadened enough to see that a sympathy with the commercial point of view means a wider humanity than the one confined to vague dreams and the incantations of weird *fol-de-rols*, attuned to the cant of cheap Bohemianism. You can see a picture in commercial human nature; his approach of his subject is entirely different, and after he gets his concept it is then his endeavor to seize and make it his own.

For this reason, in a previous chapter, I recommend so strongly the advisability of placing the entire order for printing and the art work in the hands of one firm, for in a well-organized craftsmanship the printer and the artist work hand in hand; in fact, they must do so to obtain the best results.

Knowledge of Engraving

And this brings us to the third point in our proposition; that is, that the artist must understand the requirements of the mechanical engraving processes. The time is past when we have to pay large sums for steel and wood-engravings, except as artistic and interesting relics of a by-gone period. Today, by purely mechanical means, we obtain a complete reproduction of any painting in its original colors, of any black-and-white drawing, water-color or pen-and-ink sketch.

The various processes involved are largely technical and not particularly interesting, except that any advertising manager or advertiser who wants to thoroughly comprehend the possibilities of the machine he is using must of a necessity study the mechanical methods of making engravings.

The Mechanical Means

Proceeding from the simplest to the most intricate, we have first, the zinc etching, by which we reproduce line drawings in black and white, then half-tones, then color engraving.

There are several ways of handling engravings.* The different ways call for some study, as the prices vary a great deal. During the past five

*Explained in the appendix.

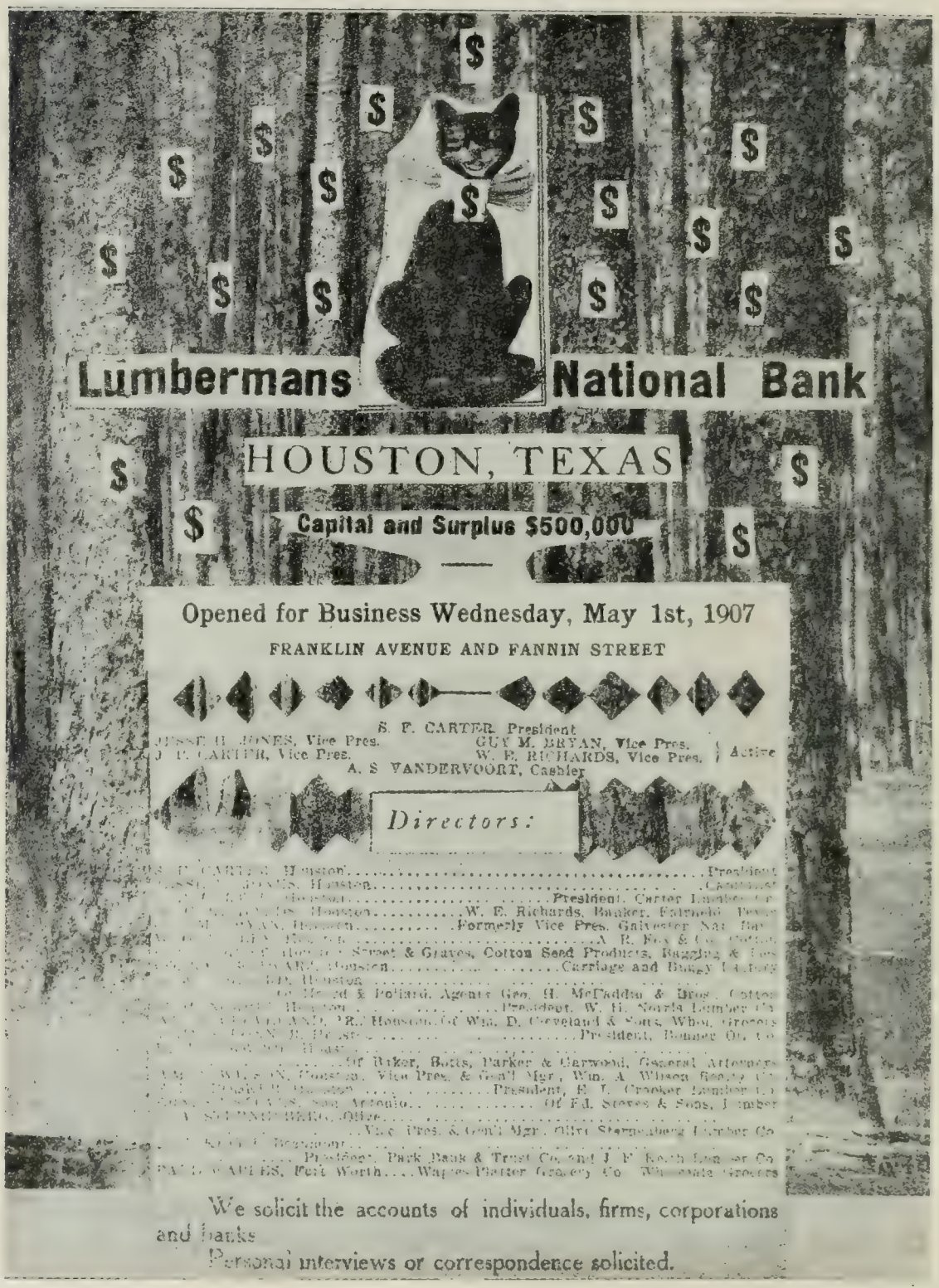

Lumbermans National Bank
HOUSTON, TEXAS
Capital and Surplus $500,000
Opened for Business Wednesday, May 1st, 1907
FRANKLIN AVENUE AND FANNIN STREET
S. F. CARTER, President
GUY M. BRYAN, Vice Pres.
W. E. RICHARDS, Vice Pres.
A. S. VANDERVOORT, Cashier
Directors:
We solicit the accounts of individuals, firms, corporations and banks
Personal interviews or correspondence solicited.

FIGURE 4

years there has been a great tendency towards the photographic. Most wash drawings for commercial purposes are made-over photographs. It saves about three-fourths the cost.

The interiors and exteriors of banks have generally been made by photography, which have afterwards been retouched and half-tones made from these.

Using Photographs

When you have interior or exterior photographing to do, hire an experienced *commercial* photographer, one who has the right kind of an equipment to take interiors or exteriors. The photographer who takes excellent photographs of your new baby may have no more license to take an interior of your banking office than a ready-to-wear clothier has to take an order for your new dress suit.

The mechanical equipments for portraiture and those for commercial photography are entirely different—different lenses, different cameras, plates and an entirely different experience are required.

There is another very vital reason for this. It means less cost in getting good engravings.

Every photograph, no matter how well it is taken, requires some retouching before it will make a first-class engraving by the half-tone process. The camera may accent something that should not appear so prominently, or you may want to have the name on the safe brought out a little stronger, possibly you would not want that old desk to show up so badly. The retoucher can fix these.

The Cost of Retouching

Of course, it costs money. An expert artist retoucher (and do not confound him with the negative retoucher, who takes the lines of care and dissipation out of your face and makes you so young-looking that your own children do not know you)—I say the expert artist gets all the way from $30 to $75 a week. His time costs you at least $1 and may cost you $3 an hour. He doesn't work half as fast as you think he should and you'll be charged for the time he takes to wash up after the job!

You can get from this an idea of how important it is to have good photos.

But the cleaner cut the photograph, the more exact to the requirement, you will have less artist time to pay for.

In making drawings and photographs for reproduction care should be taken to have them in the right proportion, so, when reproduced, they will exactly fill the space allotted to them.

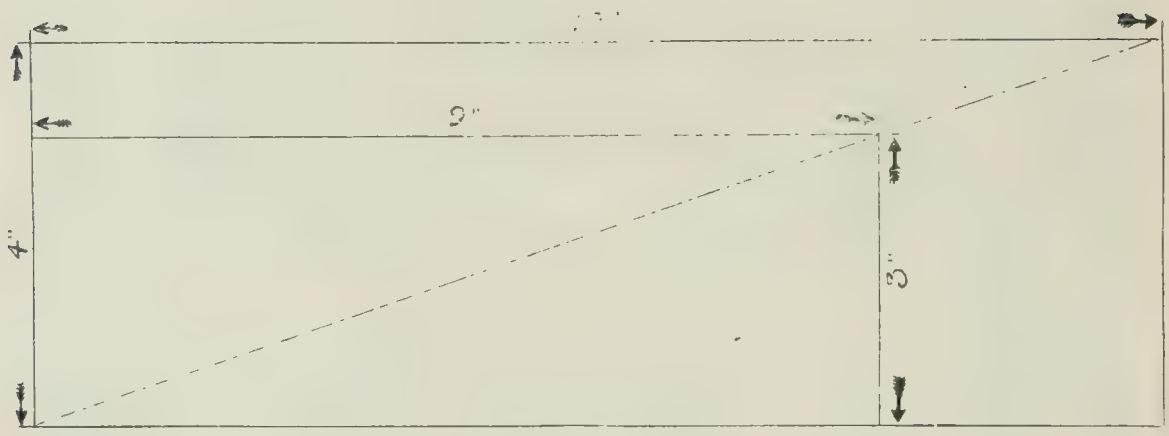


FIGURE 4-A

To find how long a cut would be that was three inches high, if made from "copy" 12x4, draw a line diagonally from the lower left-hand corner to the upper right-hand. At any point drop a line three inches long to the outer edge and at right angles to the edge: then draw a line, a parallel line with the upper and lower edges as shown, from the point to the outer edge, and the length of that line will give you the corresponding dimension of the cut.

If, for instance, a drawing is 12 inches by 4 inches it will not reproduce in a plate to exactly fit a space 3 inches by 10 inches; but if reproduced for a space three inches the narrow way it will be nine inches the other. The best way to obtain the proportionate size to which any drawing of a given size will reduce is as shown in Figure 4 A, which gives the proportions. If, however, you know the space before the order is given to the artist, tell him, and he can arrange his drawing in the right proportion.

Pen-and-Ink for Reproduction

In making pen-and-ink drawings for reproduction remember one thing, that copper, instead of zinc, reproduction is always preferable whenever you have many fine lines in the drawing. Copper being finer in texture, will hold the finer lines where zinc will entirely lose them. Copper costs a little more, but gives much better results.

The three-color half-tone has done a great deal towards making color work more popular. By it wonderfully brilliant and beautiful effects may be obtained.

The process is difficult in operation, but simple in principle.

The color drawing, containing almost any combination of colors, may by a mechanical process of special lens and plates be reproduced in three printings.

The three primary colors are used—yellow, red and blue. Each plate takes out of the design all the parts having any one of the colors; i. e., orthochromatic plates are used, which is a plate treated by certain processes which makes it sensitive to the prismatic colors.

Color Processes

A color filter corresponding to the three colors is then used to intercept the rays in passing from the lens to the negative—which in the case of yellow, extracts all the yellows to be shown on the negative.

The process is one of extraction, by which a picture is decomposed into a red, a yellow and a blue picture, and then by the process of recombining the original picture is reproduced.

When the printing is to be done the plates are printed, yellow first, then red and last the blue. The result is to reproduce the drawing with great fidelity to the original. Unless great care be exercised by the engraver, however, the reds will be too strong. By careful manipulation and re-etching the expert engraver overcomes this, and this process reproduces originals with remarkable fidelity.

CAPITAL $2,000,000

SURPLUS AND PROFITS $1,000,000

The National Bank of the REPUBLIC

— of Chicago —

Confidently believes it can meet every requirement of the most discriminating bankers

JOHN A. LYNCH, PRESIDENT — W. T. FENTON, VICE-PRESIDENT — R. M. McKINNEY, CASHIER

R. L. CRAMPTON, ASST. CASHIER — O. H. SWAN, ASST. CASHIER — THOS. JANSEN, ASST. CASHIER

FIGURE 5

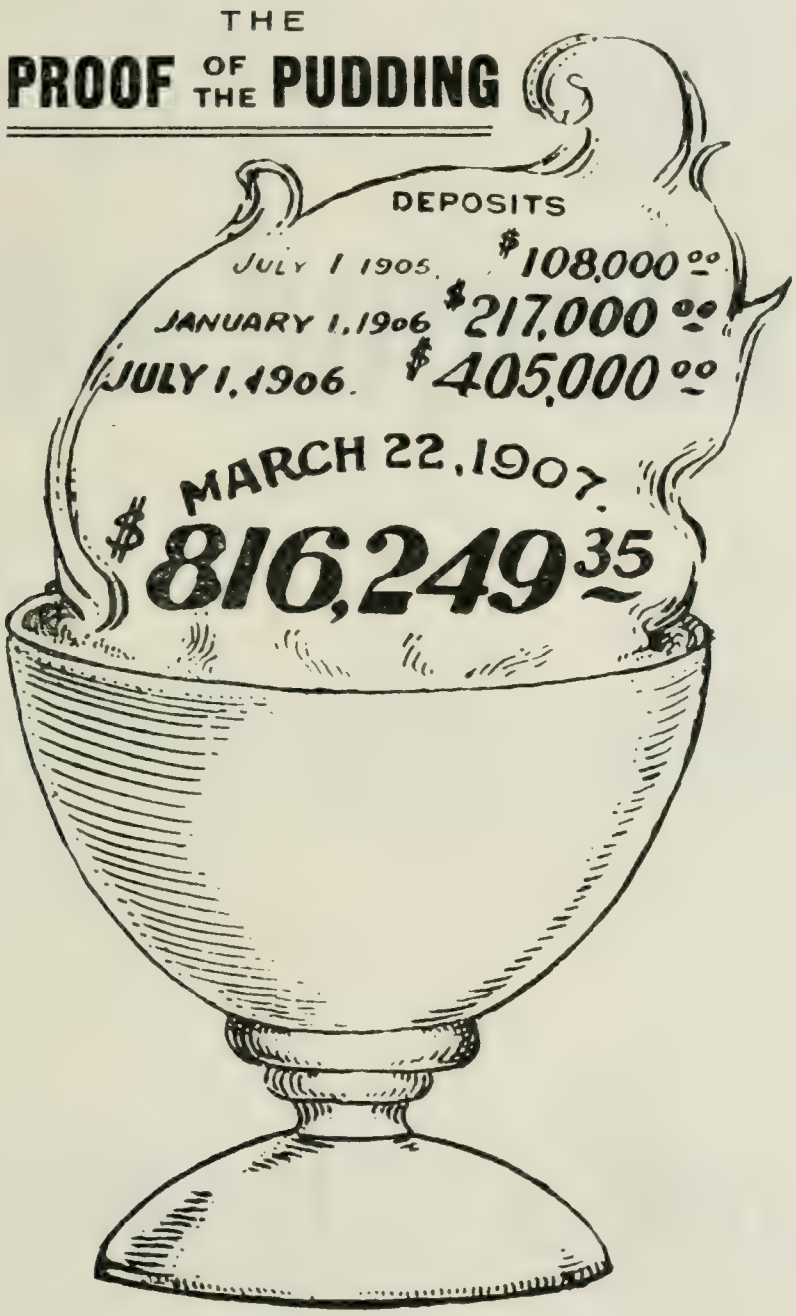
Your Letter of Credit

puts the stamp of reliability and good financial standing upon you, no matter in what part of the world you stand. Your Bank Book is proof of your independence; that you ask aid from nobody; that you can "go it alone" at any hour of the twenty-four. Yes, there's a mighty power in a Bank Book. It levels life's road for you with sledge-hammer blows. How about YOUR Bank Book? Is it among our list of names? If not, why not? Answer the question today.

The Wright Banking Company

SOUTH SIDE PUBLIC SQUARE.

FIGURE 6



IS HOW YOU LIKE IT

Fort Sutter National Bank

SACRAMENTO, CALIFORNIA

FIGURE 7

Redmond & Co.

BEACON TRUST COMPANY

STATEMENT MARCH 16, 1907

The Bank of Pittsburgh
National Association

PITTSBURGH, PA.

FIGURE 8

E PLURIBUS UNUM
BEGIN
NOW
ONE DOLLAR
OPENS
AN
ACCOUNT

PROSPERITY
BANK ACCOUNT

YOUR
OWN
HOME
A BANK ACCOUNT
THE SAVING HABIT

HARD TIMES
SAVINGS

CHECK BOOK

FIGURE 9

THRIFTY PEOPLE
TEN REASONS
GOLD DUST
YOU HAVE THE
BANK
WE KEEP THE
KEY
SAVE YOUR NICKELS
AND DIMES
ON MAKING MONEY WORK
WHY A FARMER SHOULD
PATRONIZE A BANK
CONSULT YOUR OWN BEST INTERESTS

FIGURE 10

Almost all three-color half-tone engravers, however, now use a fourth plate, which is a regular half-tone reproduction of the original, with which either a black or a gray ink is used in printing over the three-color combination, in this way giving depth, softness to the colors and extra definition to the outline.

The white in any such plate is of course produced by reflecting all the colors of the spectrum; when all the colors are absorbed we get a black.

Stock is Vitally Important

This printing calls for special inks, transparent enough to obtain the effects and special orthochromatic, or pure white, stock must be used or you will get a muddy, coarse, nasty print, and it is here that your craftsman printer is again your best friend. Because of the temptation to use inferior inks and paper, the best engravers refuse to make three-color engravings unless the printing is done under their own supervision.

It is not necessary, however, to go into a lengthy description of these processes. I refer you to certain technical books in the bibliography that you can read more at your leisure, so as to gain the best results from the money you may put into cuts.

The strain after effects is sometimes wonderful enough for the outsider to stop and try to figure if there are any laws or rules that can govern. For instance, Figure 4 is the reproduction of an advertisement clipped from a Southern trade journal. It was published to celebrate the meeting of a lumbermen's convention. Lumbermen know what the black cat means, but the whole advertisement is certainly worthy of a place in the museum of weird and wonderful advertisements.

The reserve and dignity of a design like that shown in Figure 5 stands out in the page beside ordinary type, yet it is simply a plain zinc etching from a design lettered and a Benday* tint.

Analysis

Figure 6 is a case where a simply drawn cut has appeared to the best advantage in a cheaply printed country newspaper. Figure 7 is another case where the simple strong outlines of the drawing will give the design and wording a chance to be seen and read and understood.

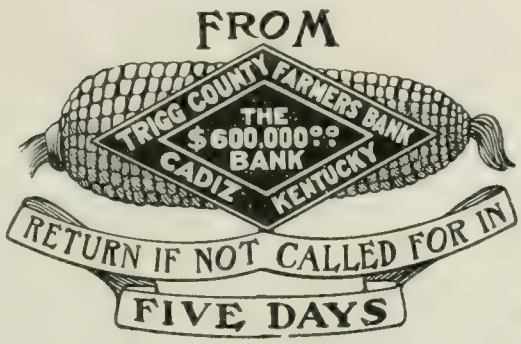
That there can be character in a simple lettered line is shown in Figure 8, where I show three designed signatures to advertisements. The "Redmond & Co." line stands out more boldly and legibly and with infi-

*A tint made on a Benday machine by which special pattern backgrounds or tints can be made at little cost.

THE FIRST NATIONAL BANK OF GROVE CITY.
POMONA SAVINGS BANK VALLEYS
DULUTH SAVINGS BANK
REYNOLDSVILLE TRUST COMPANY
THE CITIZENS STATE BANK
MISSISSIPPI VALLEY TRUST CO.
FIRST NATIONAL BANK TRAVERSE CITY
THE STATE BANK OF PARSONS
FIRST NATIONAL BANK NOGALES, ARIZ.
FIRST NATIONAL BANK SECURITY RESPONSIBILITY EFFICIENCY NOGALES, ARIZ.
GANG WARILY
NEW YORK NATIONAL EXCHANGE BANK. B/L
FINANCIAL SECURITY

FIGURE 11

FARMERS STATE BANK
UPHAM N.D.


FROM
TRIGG COUNTY FARMERS BANK
THE $600.000.00 BANK
CADIZ KENTUCKY
RETURN IF NOT CALLED FOR IN
FIVE DAYS

ELK RAPIDS
SAVINGS BANK
MICH.

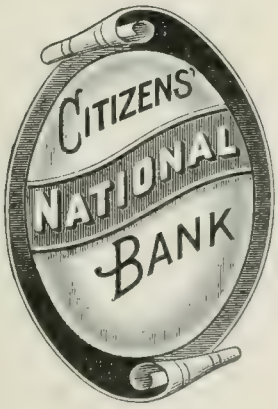
THE UNION SAVINGS
AND
TRUST COMPANY
OF SEATTLE
IN THE UNION THERE IS STRENGTH

FIRST
STATE
BANK

GERMAN AMERICAN NAT'L BANK ILLINOIS

DAKOTA COUNTY STATE BANK
LAKEVILLE MINN.
DAKOTA

SECURITY
THE FIRST CITY BANK
NEW BREMEN OHIO
GOOD SERVICE


CITIZENS'
NATIONAL
BANK

RISING SUN
RISING SUN
INDIANA
DEPOSIT BANK

FARMERS & MERCHANTS
BANK
EAST RADFORD, VA.

THE MERCHANTS BANK
SECURITY
RESPONSIBILITY
EFFICIENT SERVICE
CAPITAL & SURPLUS $125.000.00

FIGURE 11

The Meaning of "Safe Deposit"
SAVING
IS MORE IMPORTANT THAN HARD WORK. Money deposited with us is secure and works for you continually. Our perfect system of Banking BY MAIL brings this opportunity to your door.
The Savannah Trust Co. has a capital of $500,000.00, and a surplus of $200,000.00. Its policy is conservative; its affairs are ably managed by capable and successful business men.
Deposits of $1.00 and upwards accepted, on which we pay a yearly interest of 3½ per cent, compounded quarterly. Send currency in registered letter; your own check; or buy P. O. or Express money order.
Write for booklet containing full information.
SAVANNAH TRUST COMPANY
SAVANNAH GEORGIA

FIGURE 12

FIGURE 13

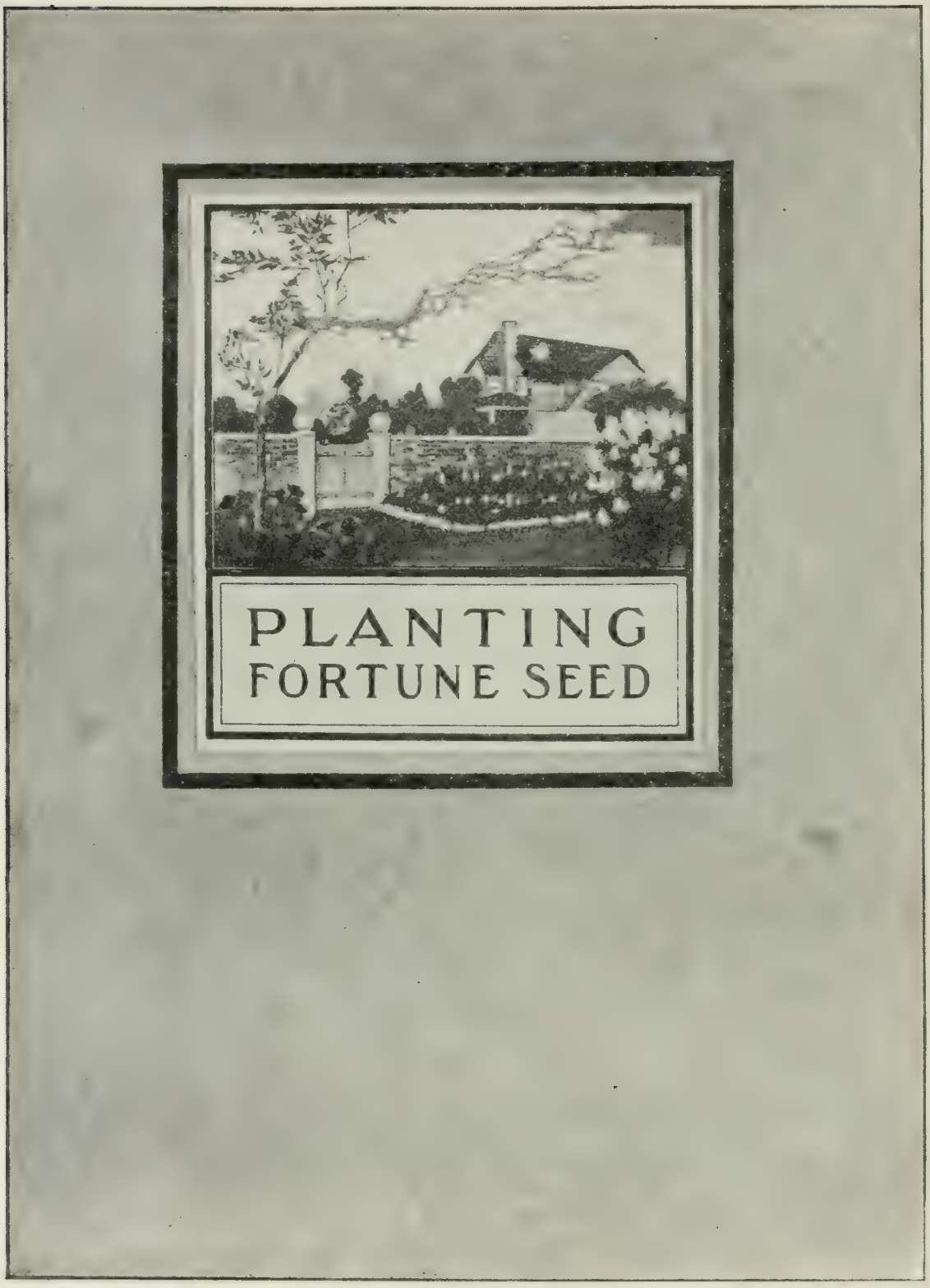


FIGURE 14

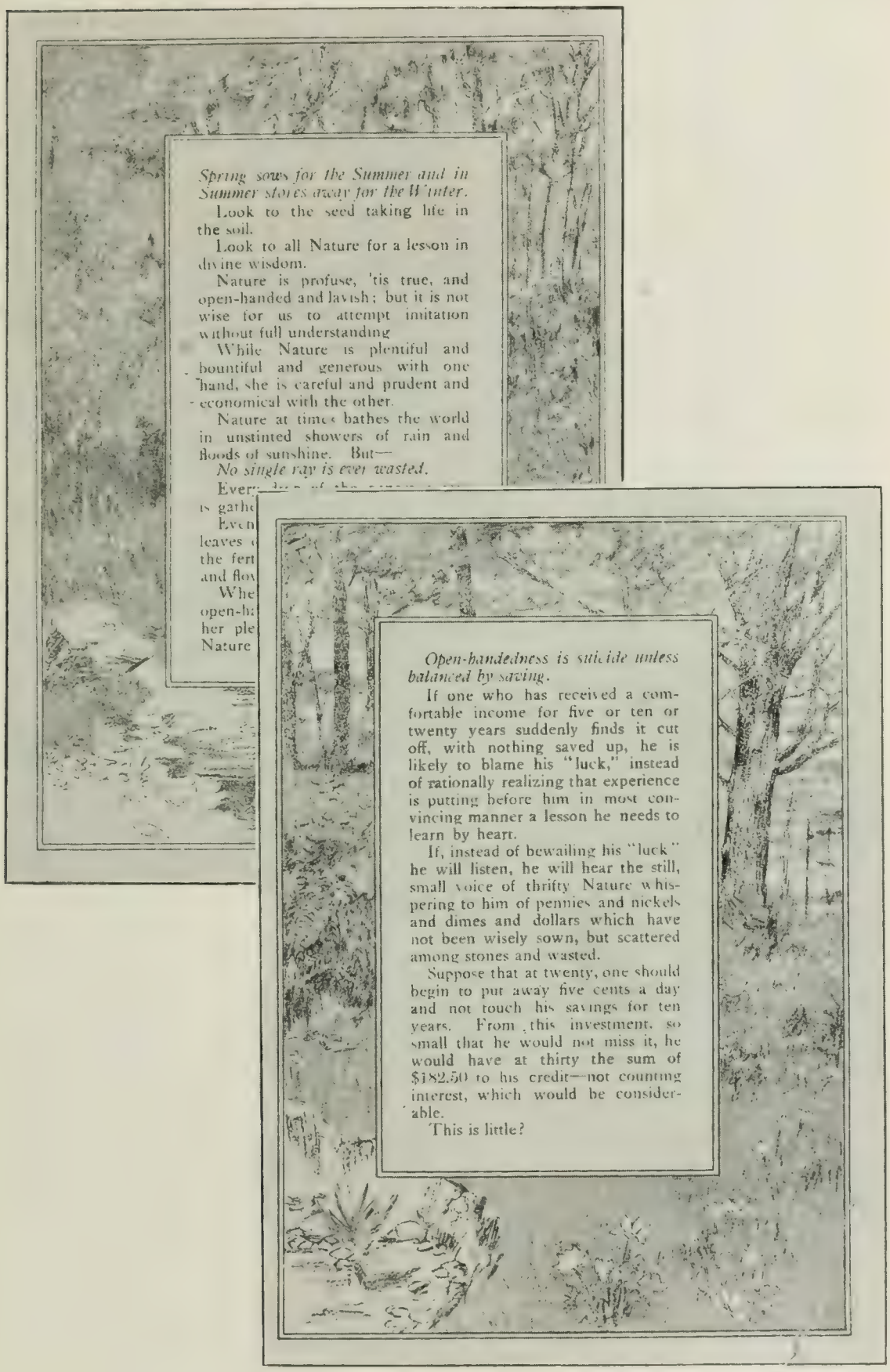

Spring sows for the Summer and in Summer stores away for the Winter.
Look to the seed taking life in the soil.
Look to all Nature for a lesson in divine wisdom.
Nature is profuse, 'tis true, and open-handed and lavish; but it is not wise for us to attempt imitation without full understanding
While Nature is plentiful and bountiful and generous with one hand, she is careful and prudent and economical with the other.
Nature at times bathes the world in unstinted showers of rain and floods of sunshine. But—
No single ray is ever wasted.
Open-handedness is suicide unless balanced by saving.
If one who has received a comfortable income for five or ten or twenty years suddenly finds it cut off, with nothing saved up, he is likely to blame his "luck," instead of rationally realizing that experience is putting before him in most convincing manner a lesson he needs to learn by heart.
If, instead of bewailing his "luck" he will listen, he will hear the still, small voice of thrifty Nature whispering to him of pennies and nickels and dimes and dollars which have not been wisely sown, but scattered among stones and wasted.
Suppose that at twenty, one should begin to put away five cents a day and not touch his savings for ten years. From this investment, so small that he would not miss it, he would have at thirty the sum of $182.50 to his credit—not counting interest, which would be considerable.
This is little?

FIGURE 15

Foolish Letters

nitely more character than either of the others. The "Bank of Pittsburg" line is badly drawn, the letters badly proportioned, the "g" being a particularly vicious piece of designing. The "Beacon Trust Company" line is insipid in outline and rather foolish in the way the letters kern and lap over each other.

In Figure 9 I show a few illustrations taken from a series of advertisements recently used by a number of banks in rural and factory communities. These advertisements were very successful.

The idea of "OWNING OUR OWN HOME" is dominant in most of us some time in our lives, and that is always a good subject of illustration. On the other hand, there is a certain kind of people whom you have to scare into saving money exactly as you have to scare them into obeying the law or into observing the Christian code.

It is only the fear of fire, famine, burglars or accident that will bring them to a bank with some of their income.

Stirring Them Into Action

It requires the loud music in the orchestra, thunder and lightning on the stage, the screams of the heroine tied to the rails, as the fast mail thunders down on her in the night, to stir them into action at a play.

The display lines, as shown in Figure 10, are intended to appeal to the same character of people, and are intended to compete with the display types of the ordinary country printing office.

The creating of a distinctive device, often made possible by the name, the location or the peculiar character of its patronage, is one of the new things to which the latter-day bank has given its attention. Some of the designs are very clever, and are so distinctive and original that they are permanently effective advertisements. In Figure 11 I reproduce a few that have been used to advantage. The device should be descriptive of your bank, if possible; it should be adopted in certain form and always used in that way, varying it only in size. You should use it on check books, passbooks, checks, notes, stationery, windows, booklets, newspaper advertisements and in fact everywhere you have occasion to print the name of your bank or display it.

A Chance for Originality

In the field of magazine advertising very little illustration has been used. I have already given space to reproductions of several illustrated advertisements with comments and show a rather clever one in Figure 12. Most of the illustration work has been crude, and there is yet to appear any startlingly new—according to my records—pieces of design for bank

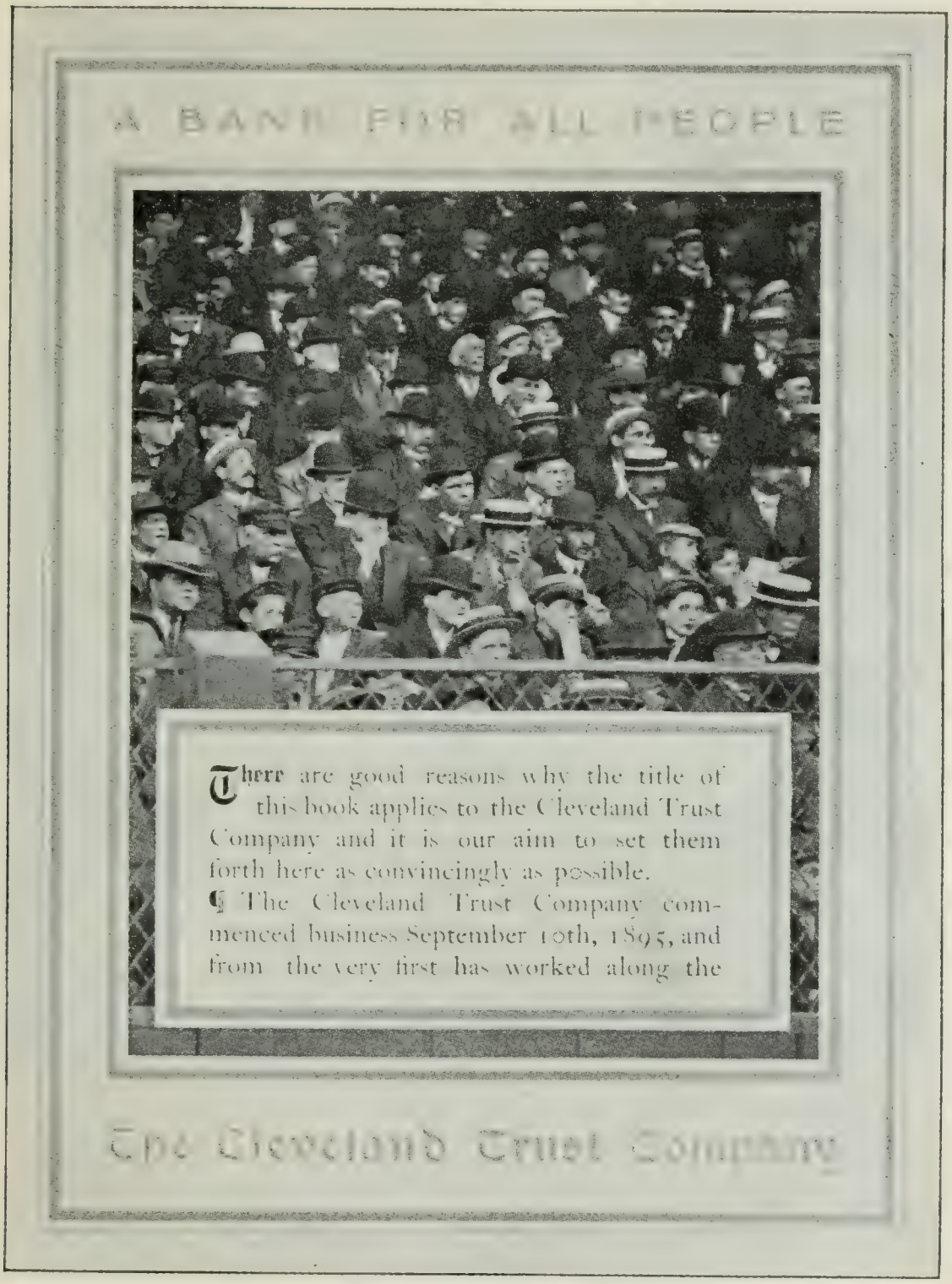

A BANK FOR ALL PEOPLE
There are good reasons why the title of this book applies to the Cleveland Trust Company and it is our aim to set them forth here as convincingly as possible.
¶ The Cleveland Trust Company commenced business September 10th, 1895, and from the very first has worked along the
The Cleveland Trust Company

FIGURE 16

FIGURE 17

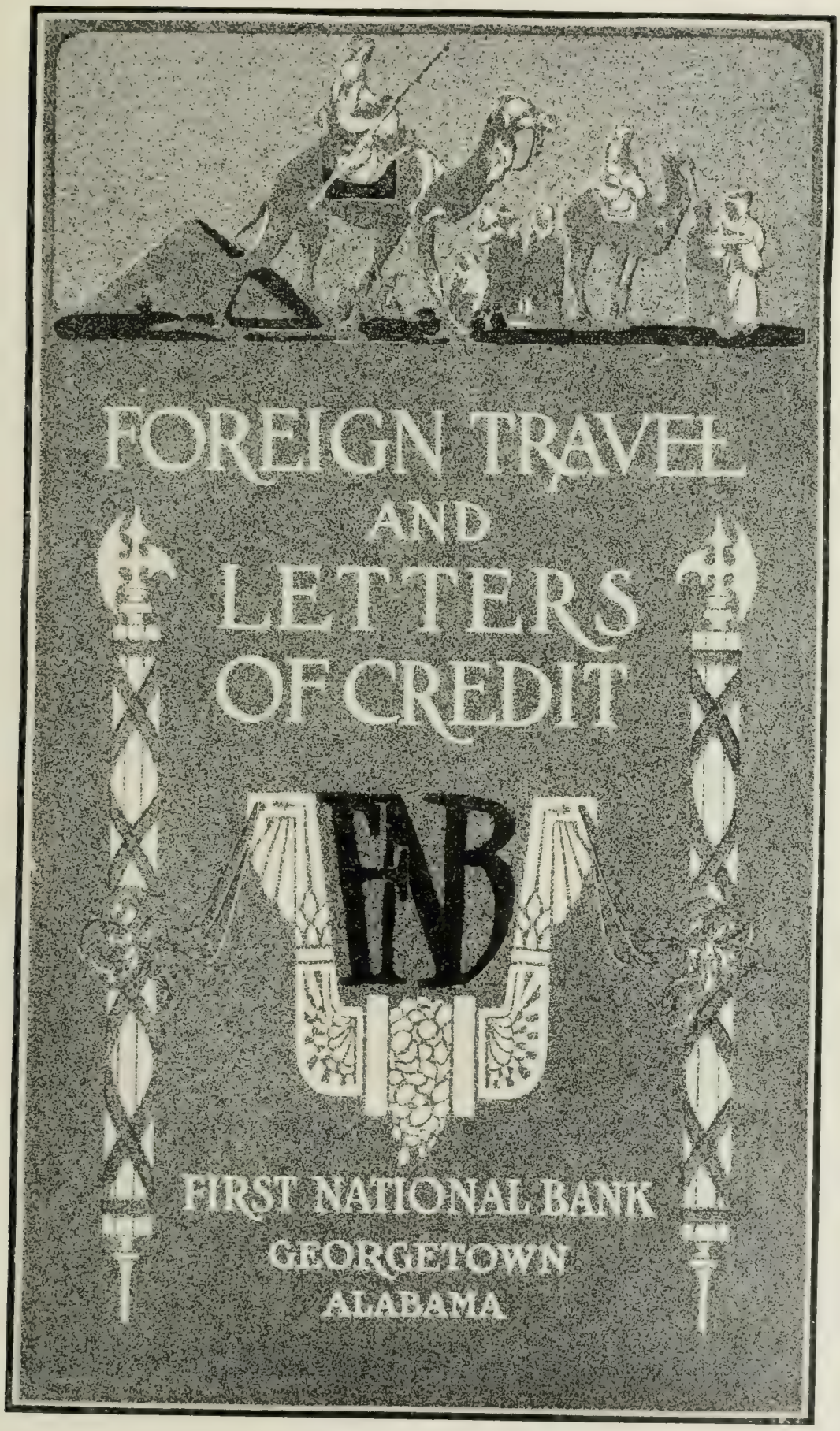

FOREIGN TRAVEL
AND
LETTERS
OF CREDIT
FNB
FIRST NATIONAL BANK
GEORGETOWN
ALABAMA

FIGURE 18

Over Display

advertising. Of gorgeousness and beautiful things there are many examples, but they are not effective bank advertisements.

I have before me a book that is a marvelously beautiful piece of work. It is said to have cost nearly one dollar a copy, sent out to advertise a New York trust company. Yet it is a failure, for there is not a ray of intelligence shown in the copy. We are lost in admiration of the artistic splendor of the craftsmanship, yet it is an echoless silence within.

Here, again, we have the foolish advertiser appear who strives impatiently after something new and strange. Figure 13 is an example of what I mean. The original is run in two shades of blue, embossed in gold and white on a heavy cover stock, as a cover design for a trust company book. No doubt these two figures seated in the head of this tadpole mean something—possibly manufacture, husbandry and a horn of plenty—but what does it mean? This booklet with seventy-one others, was submitted to forty-one advertising men; but one remarked this book, and he refused to offer a guess as to what it meant; afterwards nineteen laymen were tried, and not one of them noticed it, and when their attention was called to it, not one could give a coherent idea of what it suggested to him, and one thought it was a farm implement catalog!

"Difference" That is Not Understood

What possible use can there be in being so profoundly different when nobody knows what you are driving at?

You do not have to be classical; you do not have to confine yourself to the ugly or the golden calf when you talk about thrift and economies. We do not make thrift and economy attractive and pleasant enough. Figures 14 and 15 go together, as the former shows the outside and the latter the inside of a very effective and attractive booklet, entitled "Planting Fortune Seed." I wish the exigencies of book-making would permit me to show the outside and inside of this little book in the original colors.

The Decorative Unit

It is a charming bit of color work, a delight to the eye and suggestive of peace and happiness and content. The cover design is a three-color half-tone reproduction of a color sketch, and the inside is a meadow and brook design in crayon, reproduced in green and grays. I show this booklet for another reason—that you may notice how the two inside pages are treated as a decorative unit. Is it not a pleasant and effective method of handling them?

In Figure 16 is shown a treatment of one of the pages of a booklet, "A Bank for All the People," showing how a photograph of the big crowd at a baseball or a football game, or a race meeting, or a big political rally, could be utilized to make an effective design.

The Decorative Unit

Utilizing a photograph as the basis of a cover page design is shown in Figure 17, in which I have shown the front and back pages of a booklet issued by the American Security and Trust Company, Washington, D. C. It is too bad, however, that the foliage was not on the trees, thus giving depth and richness to a picture that is now too cold to be as attractive as it otherwise could so easily have been made.

In catching the spirit of the subject it is devoted to, Figure 18 is in a measure effective, but it would seem to me to be of more moment to represent the typical money-changer of the East, or bring out some of the queer or quaint, if not the annoying, customs of the foreign banker in the illustrations, which would not make such a folder so quickly confounded with the artistic folders issued by the passenger departments of the steamship companies.

CHAPTER XXII

THE PRINTER'S PART

AT EVERY STAGE THE PRINTER EXACTS HIS TOLL—PAINFUL COMPARISONS—EVOLUTION OF THE PRINTER—FRANK ENJOYMENT OF A WORK OF ART RARE—THE TRUE ESSENTIALS OF CRAFTSMANSHIP—THE PRINTER DOES NOT UNDERSTAND—THE PRINTER WHO CO-OPERATES—PRINTING CAN IMPART PERSONALITY AND CHARACTER—THEODORE L. DE VINNE ON TYPOGRAPHIC DISPLAYS—WHAT CARNEGIE SAID—DEFINITION OF ART BY A. W. BECK—THE INFLUENCE OF BEAUTIFUL THINGS—REGARDING ITS NATURE AND PROPERTIES—WHAT MACHINERY HAS DONE FOR CRAFTSMANSHIP—RUSKIN'S THEORY—THE DESIGN OF TYPE FACES—WILLIAM MORRIS AND HIS KELMSCOTT PRESS—COBDEN SANDERSON'S DEFINITION OF THE OFFICE OF TYPOGRAPHY—TYPES AND SPEAKING—A FEW TYPE FACES ONLY ARE NECESSARY—H. R. POORE'S LAWS OF COMPOSITION—REASON WHY CERTAIN TYPE FACES ARE EFFECTIVE—COLOR IN COMPOSITION—LAWSON'S TYPOGRAPHIC PERSONALITY—JAMES CHEESMAN ON COLOR SCHEMES—COLOR HARMONY—THE USE AND ABUSE OF PAPERS—PAPER TEXTURES—PRINTING QUALITIES—SYSTEM FOR TAKING CARE OF SAMPLES—COPYING A GOOD THING—THE COUNTRY PRINTER OF TODAY—THE LAYOUT—THE QUESTION OF PRICE—HOW TO FIGURE WHAT A JOB IS WORTH—SYSTEM OF GETTING SERVICE FROM PRINTERS—FORMS USED IN HANDLING AN ADVERTISING CAMPAIGN—COST SYSTEMS SAVE MONEY

The Printer Requires Us to Use Him

AT EVERY stage, in every phase of advertising, the printer directly or indirectly exacts his toll.

If it is a sign painter, the sign painter must conform to accepted type faces, or he is liable to become crudely original or archaic.

We must pay heed to the printer in our advertising in the periodical press. We frequently let him decide the character we shall assume in the eyes of our customers, through our booklets, our stationery and our other printed counterparts of personality and taste.

Hence we must know him, his possibilities for help or hindrance and the man he is.

Too often we have treated him as a tradesman, when in reality he is our complement, our other self, speaking as an advertiser.

We could not remain advertisers without him.

He is as necessary to us as a lawyer in a law suit, as a doctor in a case of typhoid, as a dentist when a tooth is to be filled. While these comparisons may be unfortunate in their suggestion of pain and trouble, yet going beyond these, we shall see the force of the comparison.

If we know the technical possibilities of type, ink, press and paper, we may look on the printer as a machine, into which we will place our instructions and our copy with no thought of worry about the result, for

we have long ago paid for the experience and the brains, and a workman can follow the plans and make the booklet or set the advertisement.

The Printer Who Knows Us

If, however, we have no other equipment than a desire for a piece of printed matter, a definite idea of the maximum amount we feel disposed to spend, and a vague conception of the form and character that our printed matter shall assume, we must have a different printer to work with. We want one who can understand and appreciate our ideas, our personality, the character of our business, and who can translate these into type, paper, color scheme and press-work in such a way as to make us appear to advantage, and our thoughts express themselves with all the force they possess.

Within the past ten years the feeling towards printers has changed, mainly because the attitude of printers towards their work has changed.

Ten years ago nearly all printing was done on a price basis, and the price was decided by a hit-or-miss style of figuring that made the printing business one of the worst lines of credit and the most uncertain in its tenure in the commercial world.

Business men were hardly ever printers, and printers were consistently not business men.

As advertising men came to know more about printing they demanded a higher excellence of product, and were willing to pay a better price.

Today, all over America, we see a broader and deeper realization of the tendencies of the times toward a higher and better craftsmanship.

In any effort that I might make in these pages to point the way by which the advertiser and the printer might improve their taste, I shall, of course, be denied the pleasure of having the undivided approval of my readers.

For psychological reasons I shall not attempt to analyze at this time why a man always objects to having his taste or sense of the beautiful impugned. He even objects to being caught seriously studying beautiful things, but prefers to demonstrate his good taste by analyzing and picking them to pieces.

The Average Man

The average man is afraid to heartily commend and frankly enjoy any work of art for fear some one of superior knowledge or taste may find the object of his approval an unworthy one.

This is intellectual snobbishness of the worst sort, but it is true of many of us.

We must learn the first essential, true craftsmanship; i. e., joy and enthusiasm in our work. We must gain the sense of beauty before we may profit by it. It comes, not from intuition so much as from the careful, slow, painstaking effort to understand the best, the truest, the most beautiful expression of the ideals of those who have realized, or are realizing in the most complete degree, the full meaning of the art in which we are engaged.

In printing, as another has said, "The past is there to teach us; the present is here to work in."

The Printer Our Assistant

The printer who does not know, we must teach, but we must understand that we are paying for the teaching no less than if we worked with a printer who knew and could work to our advantage.

Of the first kind of a printer I shall not have much to say, but of the second I cannot say too many good things.

In fifteen years' work I have found him the most helpful and most valuable assistant I could employ. He has saved me thousands of dollars in that time of my youth, when I had learned sense enough to have a good printer whenever I could not depend on my own knowledge.

I look forward to the near future, when the master printer will come into his own as a craftsman worthy of a place beside those who work in the other art utilities of the day.

Working with a printer has so many sides that it may not be fully embodied in the space of this chapter, but some principles of good craftsmanship and some rules of co-operation may be laid down here to the advantage of all concerned.

"All printing exerts two influences," says a writer. "It conveys information and also has an emotional effect. The psychology of typography is entirely a matter of emotion."

Display Varies

The degree of display also varies according to the character or refinement of the business concerned or the subject matter. It is perfectly evident that letter-headings* of iron founders and general contractors are properly set in more rugged form than those of a silversmith or any one engaged in a professional line.

*And other printing as well.

Bold display arrests attention and conveys an impression of the importance of the information it is designed to impart. It is, therefore, limited to such subjects as are announcements, almost warnings, rather than to subject matter which is in any sense an introduction or invitation.

The Office of Bold Displays

Similar considerations influence the selection of types for all classes of announcements, cards, headings, pamphlets and catalog displays, in order to maintain the element of appropriateness of type to subject matter.

In selecting typographic displays, however, the technical difficulties are not sufficiently understood, and thus there is a difficulty at once.

Mr. Theodore L. De Vinne,* one of the leading master printers, recently said:

Mr. De Vinne on "Good Taste"

Compositors serve two masters: the buyer who orders the work and has the right to direct its style; the master printer who is responsible to that buyer and to the reader for the workmanship of the composition. The buyer rightfully expects the compositor to correct indefensible negligence in his written copy, and to arrange types in a tasteful manner. The master printer also requires the compositor to produce workmanship in good taste.

Here comes occasion for possible disagreement. Types selected by the buyer (or master printer) may be composed as directed and yet not produce the good work desired. Types are inflexible; they must occupy a fixed space, and they may not mate tastefully one with another. Arrangements of types intended by either party must be modified to some extent by the compositor.

Good taste is not one of the exact sciences. It has few absolute rules. What is tasteful in one composition is not in another. What is pleasing to the author may not be pleasing to the master printer. The compositor's notion of good taste may differ, and the three parties may be at complete variance.

Good taste should be understood as a synonym for propriety. It means order, symmetry, and the observance of seemly arrangements that have the sanction of age and authority. In type-setting it means the putting of right types in right places. It does not mean departure from methods that have commanded general respect. Composition is but the architecture of words, and it must be governed by general rules of law and order that are observed, not only in that art, but in every kind of worthy construction.

Positive directions from the writer of the copy must be obeyed, but when the compositor has a free hand he can safely disregard popular fads and fashions and arrange types to suit the intent of the writer. He will not try to improve the supposed graces of a new style of type, or to add to the eccentricities of a designer or engraver, or even to show his own skill as an original combiner of odd bits of typographic building material. He will try to keep the author or writer at the front always. If he does the work by easy and simple methods, it is more than probable his composition will be approved as in good taste.

It is right here, where the question of selecting the style of composition enters, that I recall what Mr. Andrew Carnegie once said:

The best thing that ever happened me was my own undoing. One morning just as I was giving orders to my general superintendent, a little man with a bit

*Head of the De Vinne Press, printers of the "Century Dictionary and Encyclopedia," Century Magazine, etc.

of special knowledge steps up and proves for all time that general knowledge in technical matters is unsafe.

We Must See "Art"

When we view a piece of printing, whether in reality as a finished product, or in imagination as a future product, we must not forget that necessity and economy require us to view it as a work of art. On that emotional side we sometimes think it is lawless. Nothing could be farther from the truth. Says Mr. A. W. Beck:

> Modern artists the world over in defining art in the simplest word agree that 'Art is arrangement.' We may add that its study is not a matter of asking for recipes from this or that school, this or that national or racial art, this or that period, classical, renaissance, or modern. On the contrary, it is the acquiring of certain simple principles that underlie all art of all times. By applying these principles, growth comes, insuring insight into more complex methods of reasoning and bringing the power to execute difficult problems.
>
> In art we are dealing strictly with the mental and emotional faculties more or less developed in each individual. These faculties respond when, on a flat surface, such as paper, we find certain emotional and intellectual records of things we have seen or experienced in nature. And it is the manner in which these records are made that affects us as art. Every stroke, touch, spot, and patch of light and dark governed by the mind and hand of the artist interprets first an emotion, second a meaning.

Environment Suggests Art Standards

So we who spend our lives among beautiful things, hear beautiful thoughts, know beautiful characters, and see beautiful pictures and works of art, are the last to surrender to the sordid, the ugly, the vulgar or the commonplace.

As education progresses, as the utility of the best becomes more apparent and convincing, as the advantage of the honest and beautiful becomes more apparent to the least susceptible, we shall see the better course open to us, leading to better results.

We shall make these rules obey our moods and thoughts without doing them violence, and we shall acquire that individuality without being bizarre or odd, which makes for greater efficiency in the creation of favorable opinion and thoughts.

When we consider this individuality from the standpoint of printing, we find that we have a medium different from that used by the painter, the silver worker, or the sculptor. That difference means it must be handled differently; that it has either a greater or less adaptability or capacity for expression than these. Says a recent writer:

The Nature of Thing

> It is a recognized principle that every medium of art expression should be treated with due regard to its nature and properties. The sculptor varies his technique according as he works in wood, granite, or marble; the painter handles his water-color in quite another manner than that he would employ on an oil painting of the same subject; and the architect, with the subtle sense of the craftsman, carries this principle to such a fine issue as to impart an individual

expression even to particular woods. He knows that what may be an admirable design when executed in brass may be a very bad one in wrought iron and is sure to be an absurdity in wood. An artistic motive for a silver flagon, too, is likely to prove ugly for pottery or cut glass, and so on. There is a genius, born of its particular properties, in every medium, which demands individual expression. Observe, therefore, that Art is not satisfied with mere unrelated beauty of form or color. It requires that the result confess some sensible relation to the means by which it has been obtained; and in proportion as it does this, it may claim to possess that individual and distinctive charm which we call "style."

Cheapened Processes

The introduction of machinery to do almost everything in connection with printing has greatly cheapened the processes and the result.

I remember perfectly the words of a writer on silver working, who said: "When, however, mechanical methods develop, their exactitude, their even precision, their unintelligence, replace little by little that fascination which belongs to everything shaped by the human hand."

Isn't that true?

Are we not now trying to bring the craftsman back to the shop, because we have found that when we put the machine in we let brains and intelligence out? No man of sufficient brains to make printing worth while can be satisfied (financial returns having no bearing on the case) to work beside a machine; or, if he is satisfied, his work becomes a dull, lifeless echo of the cold and automatic regularity of the machine.

Ruskin on Craftsmanship

Ruskin was possibly the first great exponent of Craftmanship, and voiced his views on the work of his day in language that shall endure as an inspiration to many a printer and advertising man. He once said:

A man who works only for the sake of the reward that comes for the work, will in the long run do poor work always. I do not care where the work is, the man who does work worth doing is the man who lives, breathes, and sleeps that work; with whom it is ever present in his soul; whose ambition is to do it well and feel rewarded by the thought of having done it well. That man, puts the whole country under an obligation.

Today we are placing a greater premium on these expressions of emotion and feeling, these higher qualities of the Spirit, because we see, if for no other reason, that the very quality which makes the appeal deep and abiding is the very thing which makes it worth while to the man who practically demonstrates it.

And even with so prosaic a thing as money and banking there is a limitless opportunity for appeal, because the *subject* is not what gives a piece of printing force and quality and beauty, but "it is *the beauty of the form* which the craftsman imparts to the subject."

Types and Their Office

No thought is so wise or witty that the manner of arranging the types which express it, cannot increase or diminish its appeal to the mind of the reader.

This brings us to the question of typographic display, and we shall arrange our discussion under these subjects:

1 Type design
2 Arrangement of types.

The mere fact that there are so many different "faces" or styles of letters suggests that there must be kinds that most completely serve the end of the advertiser. All our hundreds of different faces of type are designed on the basis of the writing of the old scribes, says Mr. Franz Scales Meyer.

The Art of Lettering

The invention of Writing dates back thousands of years before our era. To which nation it is to be assigned can not at present be be fixed with any certainty. Greek writing was developed from the Phoenician; and served, in its turn, as a basis for Roman writing. From the Roman writing arose the Occidental and Scandinavian writings, as well as the Runic. The Latin script was introduced into Germany contemporaneously with Christianity. The early Middle Ages treated the shape of letters in a somewhat arbitrary manner. By the side of the Majuscles (or capital letters) appear the Minuscles (or small letter, produced by the contraction and simplification of the former). By the side of the upright and angular Capital letters appear the Uncial letters with their round and freer shapes. Alongside of the perpendicular letter, the more convenient slanting or Cursive letters begin to be employed. Beside the Uncial writing, the Gothic period brought Text hands into use. By this time the gradual transformation was so far advanced that at the first glance it is often impossible to recognize the original connection. The more complicated the Text hands became the more difficult they were to read, so that it must be considered a happy circumstance that the Renaissance period strove in many ways to simplify the texts, and to revive the old Latin alphabet. The invention of printing in the year 1440 had an important influence on the development of the shapes of letters. The period of the decadence of the Renaissance brought with it the decadence in the forms of letters, which is most clearly seen in the middle of the eighteenth century. Since then, and especially in recent days, a gratifying progress has been made to something better, although it can not be said that every attempt at improvement has been successful. It must not be forgotten that practical needs should be considered quite as much as aesthetic aspirations, especially in a domain of such great and general importance as letters. It should always be borne in mind that the first requirement is easy reading; and that this is dependent on simplicity and characteristic shape in the letters.

The importance of the type faces is further impressed by William Morris, the famous founder of the Kelmscott Press, who wrote of his work:

William Morris's Ideals

I began printing books with the hope of producing some which would have a definite claim to beauty, while at the same time they should be easy to read and should not dazzle the eye, or trouble the intellect of the reader by eccentricity of form in the letters. I have always been a great admirer of the calligraphy

of the Middle Ages, and of the earlier printing which took its place. As to the fifteenth century books, I had noticed that they were always beautiful by force of the mere typography, even without the added ornament with which many of them are so lavishly supplied. And it was the essence of my undertaking to produce books which it would be a pleasure to look upon as pieces of printing and arrangement of type. Looking at my adventure from this point of view then, I felt I had to consider chiefly the following things: The paper, the form of the type, the relative spacing of the letters, the wording and the lines, and lastly the position of the printed matter on the page. It was only natural that I, a decorator by profession, should attempt to ornament my books suitably; about this matter, I will only say that I have always tried to keep in mind the necessity for making my decoration a part of the page of type. I may add that in designing the magnificent and inimitable woodcuts which have adorned several of my books, and will above all adorn the Chaucer which is now drawing near completion, my friend Sir Edward Burne-Jones has never lost sight of this important point, so that his work will not only give us a series of most beautiful and imaginative pictures, but form the most harmonious decoration possible to the printed book.

William Morris

These principles differ little from Mr. Cobden-Sanderson,* who says:

The whole duty of Typography, as of Calligraphy, is to communicate to the imagination, without loss by the way, the thought or image intended to be communicated by the author. And the whole duty of beautiful typography is not to substitute for the beauty or interest of the thing thought and intended to be conveyed by the symbol a beauty or interest of its own, on the one hand, to win access for that communication by the clearness and beauty of the vehicle, and on the other hand, to take advantage of every pause or stage in that communication to interpose some characteristic and restful beauty in its own art.

It seems to me that these principles of the master craftsmen must commend themselves to even the most cynical and indifferent advertiser whose advertising fortunate circumstance rather than foresight, has made profitable.

What We Try to Do

These truths and principles are not intended for the man whom God endowed with the genius of intuition that unerringly does the right thing at all times, but for the benefit of that vast mass of men who, knowing their weakness, desire to gain strength from the knowledge of others.

I would compare typography to speaking. Here in this dictionary are 265,000 words. From these you and I have gleaned the comparatively few words that serve to express our emotions, our thoughts and our desires. Both of us have access to this book, as did Lincoln and Webster and Hayne and Choate, and yet neither you nor I can make the use of these words that those men did.

We don't know how.

Our minds, our imagination, our feelings, our hearts and souls have not thought or felt the things that could call from this book the

*Co-proprietor of the Dove Press, Hammersmith, London, England.

If you will deposit a dollar a week in the Savings Department of the Royal Trust Company for the account of your child, beginning with the date of its birth and ending when the child is twenty years old, how much will the child then have to begin life with? Ans.—About $1,500.00, of which nearly $500.00 is interest.

Interest is a silent and tireless worker, and it's an easy matter to have him working for you. Deposit a dollar *today* and start Interest to work at it.

If a young man with no business experience starts a hardware store with $3,000.00 worth of goods, just because his father or father-in-law was willing to put up the money for him, how much capital will there be left in the business by the time the young man learns how to run the store?—*Ans.* The amount will vary somewhat according to the kind of a young man, but will be considerable less than the amount that was originally put in.

Learn the business first, then put in your money. Lack of thorough knowledge of the business is the most fruitful cause of failure. Frank and frequent consultation with his banker will help a young business man, and will please the banker.

If a *You Know*

FIGURE 1

virile force which made those men masters of their fellows and promoters of influences with which all time must reckon.

So here in this specimen book are two hundred faces of type, varying in size, design and legibility, waiting for the hand of the master craftsman to mold them into a page that shall be pregnant with the individuality and thought of some author.

Will *you* try it?

Will you try to express a thought through the form, proportion, color and composition of an advertisement or a booklet or circular?

The Mere "Face" of Type

Consider the mere question of selecting the face of type in which you wish to set a piece of advertising.

In recent years there has been a decided feeling that setting a page or advertisement in different sizes of the same face of type was the best, but this has led to colorless typography. There was a lack of contrast in the color of the page, and while it served well for dignified and elegant books, it was weak in elements of attraction as a scheme for handling magazine or newspaper displays.

What we want is a plain, easy-to-read type, but we want attraction at the same time.

Did you ever try to get a plain, easy-to-read type?

Try it.

What Your Printer Can Do

Your printer will give you all kinds of fat, expanded faces, long, thin, attenuated "condensed" faces, faces with queer quirks and smirks, faces with whiskers and faces with wrinkles obscuring the features, faces with square jowls and funny, imbecile ways of curling their hair; but not one that is clear cut, strong, forceful, open, with character and quality and emphasis in it.

By some good luck he may have Caslon Old Style and Franklin Old Style and even Caslon Bold, and if he has, count yourself fortunate. Do not worry about typography. Your troubles are over.

You can do any legitimate and effective thing that a bank advertiser should want to do, with three faces of type.

Glance at Figure 1, reproducing two pages from a booklet issued by the Royal Trust Company Bank, Chicago. It has a pleasing typographical arrangement of extreme simplicity, printed on white antique finish laid

know him, and have never seen him. Whether he has been a success or a failure in business is something to which you have given no thought. He claims that he has a wonderful invention, a great industry, a fabulously rich mine, etc., and announces that his stock has doubled or trebled in value. First he secures a patient hearing, then your undivided attention, and finally you are tempted to take your money from where it is safe and practically throw it to the winds. Just think it over. You will agree with us that this kind of an investment is foolish. Don't invest unless you are sure you have something better than a reliable 4 per cent savings account.

The individual who is moving away from Cleveland

Would do well to investigate the feasibility of banking by mail before closing out his savings account with this strong savings bank. Remember that we have depositors in all parts of the United States and in many remote foreign countries who have found it exceedingly satisfactory to transact their business with us by mail. Are you going farther away than China, Japan, Philippine Islands, Hawaii or Brazil? We have active savings accounts with people in all of these countries. Let us furnish you with our special literature on this subject.

To the dissatisfied depositor

We desire to express sincere regret that we have given cause for disappointment in any way. No other bank in this country is striving harder to please its depositors than The Cleveland Trust Company. Besides its capital and surplus of $5,000,000 which are calculated to satisfy the most exacting individual as to the financial strength of our institution, we provide every accessory of an up-to-date bank. In fact The Cleveland Trust Company has been the originator of many of the latter day bank innovations looking to the convenience and comfort of depositors. Naturally it is difficult to serve sixty-seven thousand individuals with uniform satisfaction and yet this is what we are earnestly trying to do. If our depositors will co-operate with us and report any discourtesies or inattention we can easily make amends and see that they do not happen again.

The foregoing remarks are addressed to the depositor who has just closed out his account with The Cleveland Trust Company or is con-

FIGURE 2

FIRST

A fine job is one in which propriety is observed all through —in the thinking, writing, type-choosing, type-setting, printing, paper, and binding.

The fineness is in the propriety, more than in the richness. The job may be rich all through, or it may be common as to materials.

Richness without propriety is pretentious, vulgar. It gets the contempt of discerning people; and the majority are discerning enough to *feel* gross impropriety, even if not to express that feeling in words.

Propriety lacking richness is often good policy.

FIGURE 3

stock, it has no pretensions, but its very simplicity gives that legibility which is a temptation to read.

Compare it with Figure 2 which has the same page size, but cannot compare with it in legibility or attractiveness. The latter is printed in two colors, and the paper used costs at least twice as much as that used in the first booklet.

In Figure 3 are shown two very small pages arranged by an expert. This particular man, however, considers that the two or three faces of type mentioned above, are all that are necessary for any printing. Of course that is absolutely preposterous, just as it would be to maintain that all but blue, red and yellow, the primary colors, should be ignored in a color scheme.

How Shall We Make It?

How shall we handle the type after we have selected it?

How shall we weave these types into attractive and interesting expressions of our personality and ideas?

Before us we have a certain space, so long, so wide. We have a white, or a gray, or a buff, or a blue-white background. Here are hundreds of styles of type. We must place words and sentences on that sheet so attractively that the busy world will look, stop and read.

Is it not a fact that within the confines of these margins we are going to paint a typographic picture that shall harmoniously and clearly express the spirit of the message?

We shall then need to observe some of the laws and rules of those who make pictures.

Let us see what these laws are.

Mr. H. R. Poore in his interesting and suggestive book on "Pictorial Composition" has laid down some rules that may be applied to printing display and composition:

H. R. Poore on "Composition"

All pictures are a collection of units.

Every unit has a given value.

The value of a unit depends on its attraction; of its character, of its size, of its placement.

A unit near the edge has more attraction than at the center.

Every part of the picture space has some attraction.

Space having no detail may possess attraction by gradation and by suggestion.

A unit of attraction in an otherwise empty space has more weight through isolation than the same when placed with other units.

A unit in the foreground has less weight than one in the distance.

Two or more associated units may be reckoned as one and their united center is the point on which they balance with others.

The value of these rules is in proportion as they may be assimilated by the reader.

The Value of the Rules

They are introduced that the interested reader may make further investigation, not for further explanation.*

The compositor, however, will arrange his page or advertisement on the basis of those rules, seeing in his eye not only the mere physical position of the type but the actual printing quality, as he sets it up for proof.

In display remember that the compositor is the speaker of your message.

In printing the eye bears the same relation to the written, as the ear does to the spoken, word.

The harsh voice that speaks with bad inflections, false emphasis, or in a monotone, robs the most convincing speech of its dignity and power.

Type strength does not mean blackness.

Type Strength

The reason why the Caslon faces, the Cheltenham to a lesser degree, the Old Roman, and some of the Scottish faces are so plastic in the hands of the craftsman, is because they are harmonious within themselves; i. e., each and every letter bears a true and harmonious relation to every other letter.

Printing may be called harmonious when your type faces and arrangement give a color effect of light and shade, blacks and grays, that makes a pleasing contrast.

It is obvious that an attempt to blend several discordant types, such as shown in Figure 4 would, if reset and shown as in Figure 5, have been much stronger.

Emphasis is obtained by increasing the size of the letter and making it blacker by contrast. The bold, black Gothic type, like that seen in the headlines of Mr. Lawson's advertisements in another chapter, is exclamatory, and is out of place in advertisements that are not intended for announcements. Large black type is not always in good taste,

Emphasis is Contrast

*In order to keep this chapter within proper bounds it was necessary to touch some phases of this enormous subject but lightly. The main object of these technical chapters is not to furnish complete data for study, but to point the way to a comprehension of what good advertising is, and how much must be known in order to practice it successfully.

The OHIO
SAVINGS BANK
and TRUST CO.

HARD WORK

The harder a man works the more essential it for him to save, if he is to get the real good of his labors. The saved portion is the seed of actual accomplishment and independence. This is not theory—it is practical fact which many learn from experience when it is late. Don't wait.

4% on Savings Accounts
2% on Checking Accounts
having satisfactory
daily balances.

FIGURE 4

4% ON SAVINGS ACCOUNTS
2% ON CHECKING ACCOUNTS
Having Satisfactory Daily Balance

HARD WORK

The harder a man works the more essential it for him to save, if he is to get the real good of his labor. The saved portion is the seed of actual accomplishment and independence. This is not theory—it is practical fact which many learn from experience when it is too late. Don't wait.

THE
OHIO SAVINGS BANK AND
TRUST COMPANY

FIGURE 5

because there must be some need for it. A tremendous sound, figuratively, suggests a tremendously important happening or event. When this great effort simply brings forth the ridiculous announcement that you want the people's money, it is comparable to the mountain bringing forth a mouse. **The Mountain and the Mouse**

Display, meaning large or black lines or words as compared with the body of the advertisement, is emphasis. In making a thought emphatic you should be careful not to make too many words emphatic. There is generally too much display in advertisements. It can be compared only to a man talking at the top of his voice—mere shouting is not emphasis.

In Chapter XIV I have made some suggestions on the printing of booklets and folders which seem germane to that particular topic.

Having definitely decided on our typographic dress, we must consider color. While we have given considerable attention to color from the standpoint of attracting and interesting the customer, we have not given it much attention from the side of appropriateness and individuality. Recently Mr. James Cheesman made sundry rather interesting suggestions about color printing that are worthy of some attention. I quote him in part only:

The Color Printer

The higher uses of color in printing have won their way to favor only recently, and if the crucial test of art be applied here, as in other fields of work, we shall learn why this is so. If, to entitle anything to rank with art products it must first be true, then good, and finally beautiful, we may measure the art value of all work by these rules. To illustrate: let us select the advertising matter of a few business houses. To what extent is it effectual in advertising service? Surely all advertising designs are intended to be realistic. The extent to which they are controlled by canons of art appears to be still an open question. It must be admitted that the highest embodiments of art in line and color are the most captivating in their appeals.

In formulating the principle of a color-scheme the finer sense naturally turns to green as the broad base of the work. For the fullest expression of character every stage of a growing plant should be illustrated, and the range of color embraced should form the groundwork of the design.

Breakfast foods offer a most inviting field for work of this kind. The base of a color-scheme in this line should be a combination of plant greens in at least three shades, each demonstrating a period of growth. Then, as the plant approaches maturity and takes on its blend of sage green and yellow, soon to merge into a yellow brown, the whole scheme exhibits definite power and harmony worked out in commercial form. Could we have anything more effective in persuasive selling power than an actual exhibit of a natural process?

The corn plant offers a wealth of color for advertising purposes, yet one of the finest products in corn meal known to milling art is presented in a package of strange color in no way related to the contents. * * *

The management of a corn festival in Chicago used for its announcement a black and brownish yellow scheme quite devoid of expression. The only explanation to be found in such discords is the utterly false concept which some

	BLUE	BROWN	CREAM	GREEN	GRAY	HELIO	LAVENDER	MAROON	MYRTLE	NAVY	NILE	OLIVE	ORANGE	PURPLE	RED	SALMON	SKY-BLUE	TAN	WINE	YELLOW
BLUE		Good	Good	Strong	Good	Bad	Bad	Fair	Fair	Weak	Bad	Fair	Strong	Weak	Fair	Fair	Weak	Good	Fair	Strong
BROWN	Good		Good	Fair	Fair	Strong	Strong	Weak	Good	Good	Fair	Good	Weak	Strong	Weak	Weak	Good	Bad	Weak	Bad
CREAM	Good	Good		Good	Weak	Good	Good	Good	Good	Good	Good	Good	Good	Good	Good	Good	Good	Weak	Good	Weak
GREEN	Strong	Fair	Good		Good	Bad	Bad	Fair	Weak	Fair	Weak	Weak	Fair	Strong	Strong	Strong	Bad	Fair	Fair	Bad
GRAY	Good	Fair	Weak	Good		Good	Good	Good	Good	Good	Good	Good	Good	Good	Good	Good	Good	Bad	Good	Fair
HELIO	Bad	Strong	Good	Bad	Good		Weak	Bad	Bad	Bad	Bad	Bad	Bad	Weak	Bad	Bad	Weak	Good	Bad	Strong
LAVENDER	Bad	Strong	Good	Bad	Good	Weak		Bad	Bad	Bad	Fair	Bad	Bad	Weak	Bad	Bad	Bad	Good	Bad	Bad
MAROON	Fair	Weak	Good	Fair	Good	Bad	Bad		Fair	Fair	Bad	Fair	Bad	Bad	Weak	Bad	Bad	Fair	Weak	Strong
MYRTLE	Fair	Good	Good	Weak	Good	Bad	Bad	Fair		Good	Bad	Weak	Strong	Strong	Fair	Strong	Bad	Good	Fair	Bad
NAVY	Weak	Good	Good	Fair	Good	Bad	Bad	Fair	Good		Bad	Good	Strong	Weak	Fair	Strong	Good	Good	Good	Strong
NILE	Bad	Fair	Good	Weak	Good	Bad	Fair	Bad	Bad	Bad		Weak	Bad	Bad	Bad	Fair	Weak	Fair	Bad	Bad
OLIVE	Fair	Good	Good	Weak	Good	Bad	Bad	Fair	Weak	Good	Weak		Strong	Bad	Bad	Bad	Bad	Weak	Weak	Bad
ORANGE	Strong	Weak	Good	Fair	Good	Bad	Bad	Bad	Strong	Strong	Bad	Strong		Strong	Weak	Weak	Bad	Fair	Bad	Bad
PURPLE	Weak	Strong	Good	Strong	Good	Weak	Weak	Bad	Strong	Weak	Bad	Bad	Strong		Weak	Bad	Bad	Good	Weak	Strong
RED	Fair	Weak	Good	Strong	Good	Bad	Bad	Weak	Fair	Fair	Bad	Bad	Weak	Weak		Weak	Bad	Good	Weak	Strong
SALMON	Fair	Weak	Good	Strong	Good	Bad	Bad	Bad	Strong	Strong	Fair	Bad	Weak	Bad	Weak		Fair	Good	Bad	Bad
SKY-BLUE	Fair	Good	Good	Bad	Good	Weak	Bad	Bad	Bad	Good	Weak	Bad	Bad	Bad	Bad	Fair		Good	Bad	Fair
TAN	Good	Bad	Weak	Fair	Bad	Good	Good	Fair	Good	Good	Fair	Weak	Fair	Good	Good	Good	Good		Good	Weak
WINE	Fair	Weak	Good	Fair	Good	Bad	Bad	Weak	Fair	Good	Bad	Weak	Bad	Weak	Weak	Bad	Bad	Good		Strong
YELLOW	Strong	Bad	Weak	Bad	Fair	Strong	Bad	Strong	Bad	Strong	Bad	Bad	Bad	Strong	Strong	Bad	Fair	Weak	Strong	

FIGURE 6

persons have of color. It is too often answered that appreciation of the art quality is quite lacking in a promiscuous crowd of amusement-seeking people.

The Use of Color

The best answer to such objections is found in the admiration and enthusiasm of excursionists spending a few hours in the country. The sense of freedom and the exhilaration from breathing a clean and invigorating atmosphere do not wholly account for the states of mind experienced. The sense of sight is more powerfully affected than any other and the sight of growing things, throughout every period of development, is a most potent influence. Look where he will, he is confronted by color in endless profusion? It is often said that it is an expression of life. Plant life is always presented in color mediums, and green of some shade peculiar to the plant in its particular stage of growth is the predominant color. The subtle appeal to the senses could not perhaps be explained by ninety-nine per cent. of the observers. It is enough that it exists, and that it is potent in influence, fascinating, and alluring its millions of observers to country scenes.

We may not be able to explain why a thing is incorrect but defective technique does not prevent us from feeling discords. Advertising should be persuasive. To succeed it must win the eye, since almost all advertising matter is more potent when addressed to the eye than when an appeal is sought through the ear.

Written matter is rarely ever fully acceptable if it does not make a good impression on the eye. Matter must be seen before it is read, and what is grateful to the eye is almost invariably sure to influence the mind.

There is so much truth in what Mr. Cheesman says that it makes his thought worth while, but he entirely misses one point—his color schemes are all subjective. When I am advertising machinery for instance, I certainly would not use grays, blacks and the dull colors alone.

Some Criticism of the Idea

I would have enough of those in the illustrations, and would use colors in the display that would get away from the dull, smoke-colored, funereal subjects, without attempting to make it frivolous.

His theory is sound as applied to things intimately connected with nature, because they are natural and therefore belong among the very colors most acceptable to those to whom the advertising must appeal.

While daring color schemes are sometimes successful, they more frequently fail.

In Figure 6 is shown a chart exhibiting various combinations of colors and the effect obtained.

This is not an arbitrary chart by any means, but calculated to prevent any serious color mistakes on the part of the advertiser who hasn't "an eye for color."

Where two colors alone sometimes do not make a good combination introduce gray, white or black, which will relieve the discord.

Color Suggestions

White space around a color strengthens the color, while black has just the opposite effect.

Harmonizing Colors

In selecting three colors, choose two that thoroughly harmonize, and for the third a color that harmonizes with the stronger of the other two. If you do not see on the chart the particular color you have in mind, use the one nearest to it, cream for ivory, gray for pearl, salmon for pink and so on.

The colored papers with special color schemes are shown in handsomely printed paper sample books. These books are full of color suggestions and the type compositions for the advertiser.

The Mittineague Paper Company, manufacturers of Strathmore papers issued a book in 1907 which furnishes a case in point. The color scheme, typographic arrangement and decorations and illustrations are so completely satisfying that it is accepted everywhere as one of the best things done by an American printer. The entire book is an advertisement, yet it is nearly 1½ inches thick and contains a large number of samples of the different grades, colors and weights of stock, all being printed in differing combinations of colors, and each sample so arranged as to present a harmonious suggestion of type, ink and paper.

Colors in job printing must harmonize. Nature's colorings are harmonious. Witness the rainbow.

Few good books are printed on anything but good paper.

The question of papers, not only in advertising but in stationery, has obtained a new importance in this day. Paper is to printing what it is to photography, an integral part of the appeal.

Unlike the canvas on which the painter paints his picture, the paper in printing is a part of the picture, aiding or hindering the efficacy of its appeal.

Some Paper Suggestions

In the olden days the paper was a very serious and expensive factor in the work.

The softness or hardness of the papers, the texture and printing qualities, the characteristics of different papers, such as Van Gelder's Reesdal, Arnold or Japan Vellum, are known to the technical man. He knows what will print best on them, how the color holds, and what colors go best with their whiteness or tints. He will tell you, also, just what type faces will show to the best advantage in contrast to the tints and textures.

It is a fact that paper is so important that the plainest, simplest arrangement on superior paper will attract more attention than the most ornate or ambitious attempt on inferior stock.

In some cases the paper must be given first consideration.

Some Paper Suggestions

Particularly is this true where the special requirements of engraving are to be considered.

Half-tones require a highly coated or enameled surface, hard and smooth.

Zinc or line engravings and wood-cuts can be printed on almost any surface. Of course the more fine lines there are in the engravings the smoother has to be the surface of the paper.

In the appendix, under "Technical Information," will be found a number of useful suggestions relative to paper, which will prove of value in getting at the prices charged for work done.

Having decided to issue a booklet or other form of advertising printing, the advertiser wants to insure that he will get the best results from the expenditure.

How is he to know what he wants?

How shall he tell his printer what he wants?

The advertiser may not know what he wants—it may be a nebulous condition of desire to do some advertising.

Probably, if he has no advertising manager, he will get a few samples of good advertising and show them to his printer. The truth is that nowadays the up-to-date advertiser keeps his eyes open for good suggestions.

Keeping in Touch With Paper

I know a number of advertisers who maintain carefully indexed cabinets for samples. Their stenographers are instructed to send inquiries to all new advertisers who offer booklets so as to get on the follow-up. The results, if not all novel or suggestive, are filed under appropriate headings, so when the advertiser is about to determine the typographic form, the quality of paper and the color scheme of some piece of printing, the files are consulted for suggestions.

This is a perfectly legitimate method of handling printing and has long been the practice among artists and illustrators, who considered their libraries and collections the most important part of their equipment.

That you would not recognize the newer effort as a copy of, or as even remotely suggested by the older effort, does not alter the primal inspiration.

The average man does not want to "copy" some one else; he feels a certain resentment at any charge that he has copied, to use the mildest term, another's mental product.

Following Models

It is the old ego fighting for itself. Each man has a certain pride in the mere fact that he is an independent, thinking, human being.

The average man is proudest of his mental accomplishments, especially those which stamp him a man of taste and breeding.

He is proudest when he can say that this new and beautiful and excellent thing is all his own.

It is this condition which sometimes works against an advertiser as well as for him. He objects to being told how to make a good, artistic and superior piece of printing. He thinks that he knows what is good and artistic.

And yet he doesn't, ten chances to one; but as he pays the bills, who is going to say so? Certainly not the engraver, who wants his order for engraving; nor yet the printer, who wants the printing, so the advertiser goes on to ineffectiveness.

The country banker who looks after his own printing and has a fairly equipped printer to help him, should study samples and wherever he can frankly copy the work of those whom his discipleship cannot injure.

This is no sermon on the ethics of plagiarism, nor yet is it a suggestion that stealing is ever excusable.

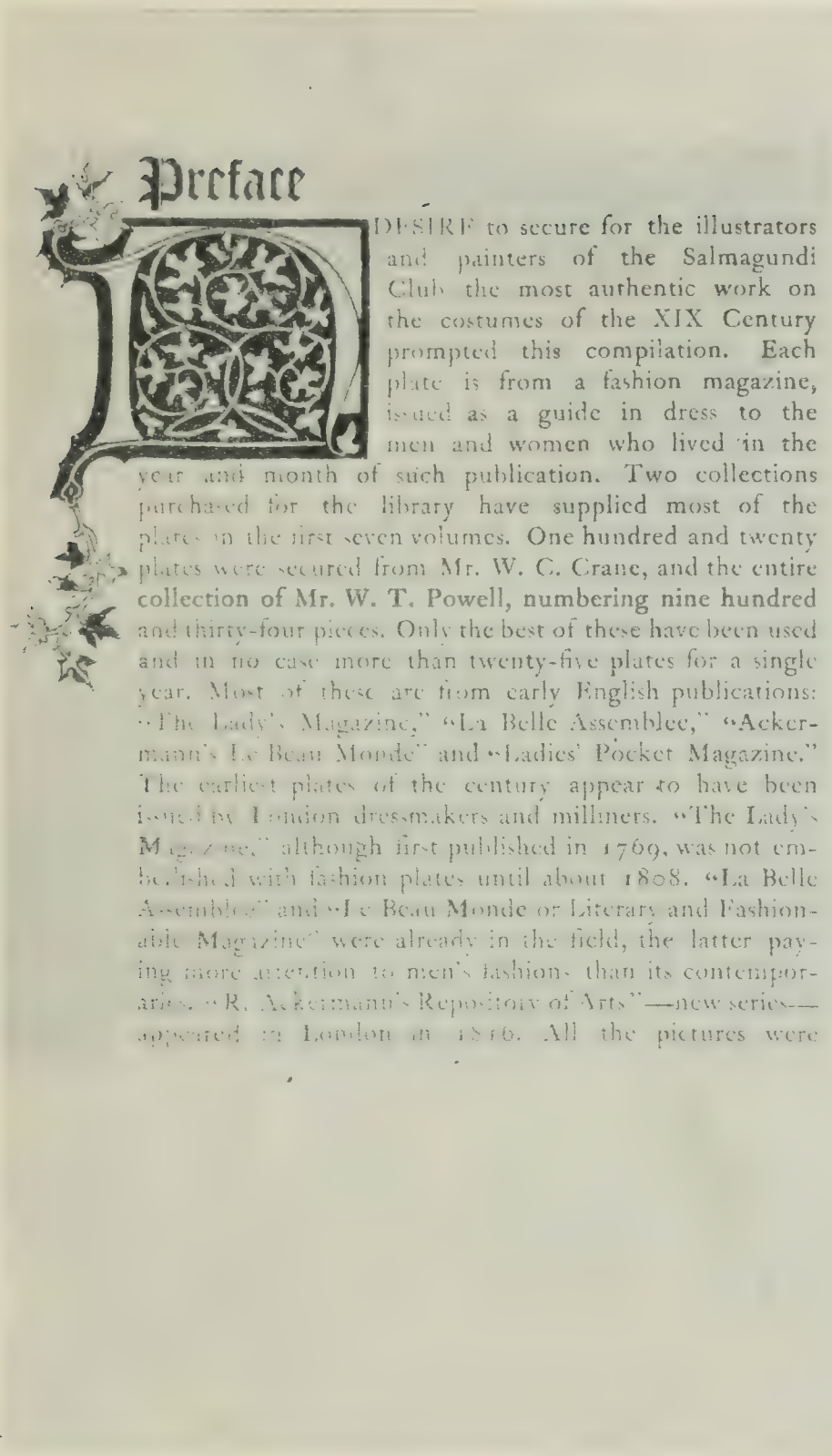
There is no property, however, in rules that have come down to us from the XV century, and when you see a booklet with the right type, the right margins, the right arrangement, the right paper, don't be afraid to say, "Do a book like that for me."

The Ethics of Models

You are not violating any rights because the man who made your model lived five hundred years ago and made books for the people to copy and for the education of a world.

Of course the right of property in special design and decoration and illustration and in wording and special titles, is apparent and no one has a right to them.

The country printer is growing up in a way to bring joy to the hearts of those who love good printing; he is learning simplicity and honesty of design, and quality and character in his work. He is gradually



Preface

DESIRE to secure for the illustrators and painters of the Salmagundi Club the most authentic work on the costumes of the XIX Century prompted this compilation. Each plate is from a fashion magazine, issued as a guide in dress to the men and women who lived in the year and month of such publication. Two collections purchased for the library have supplied most of the plates in the first seven volumes. One hundred and twenty plates were secured from Mr. W. C. Crane, and the entire collection of Mr. W. T. Powell, numbering nine hundred and thirty-four pieces. Only the best of these have been used and in no case more than twenty-five plates for a single year. Most of these are from early English publications: "The Lady's Magazine," "La Belle Assemblee," "Ackermann's Le Beau Monde" and "Ladies' Pocket Magazine." The earliest plates of the century appear to have been issued by London dressmakers and milliners. "The Lady's Magazine," although first published in 1769, was not embellished with fashion plates until about 1808. "La Belle Assemblee" and "Le Beau Monde or Literary and Fashionable Magazine" were already in the field, the latter paying more attention to men's fashions than its contemporaries. "R. Ackermann's Repository of Arts"—new series—appeared in London in 1816. All the pictures were

FIGURE 7

Examples of the preparation of dummies. Dummy for first page of circular based on the use of an illuminated initial. The cost of making the plates of the initial would be approximately $10, but it is possible to show it in this manner for the customer's approval without in any way injuring the circular. The page of type matter and margins are determined with the initial as the starting point.

—Courtesy of "The Printing Art."

returning to old models, and learning that *everything* he does *must* mean something, or it is something in the road of good work.

The advertiser who is in touch with a master craftsman has a great help at his command. He frequently fails to use the craftsman as he should. He tries to "go it alone," and fails utterly to gain that character and quality for his advertising which stamps it as remarkable and effective.

The Lay-Out Important

The craftsman will generally wish to know what a customer wants before he prepares a proof. In all well-managed shops every booklet is carefully laid out in detail before the compositor gets it. This layout gives complete instructions on the style of the composition, the location of the engravings, if any, and the arrangement of the pages.

This layout, of course, is crude, but within the past few years as the sales departments of printing houses have been organized, the layout idea has been adopted for the purpose of showing the prospective customer what he is to get, and have him approve it before a great amount of expense is put into the execution of the order.

Under the old arrangement the customer ordered a booklet, and never saw it until it was shown in proof. If the customer liked the interpretation the printer gave his copy, it was approved; if he didn't there were changes more or less drastic, to whip it into form. This process of changing in proof meant a large expense over and above the normal cost of the work, with inevitable cause for bickerings and strife and much unpleasantness between the printer and customer.

The layout soon came into favor and has now become a dummy, which is a complete representation of the style of arrangement, color scheme, binding, paper and general handling, as suggested by either customer or printer.

How Some Printers Solicit

These dummies are generally offered by the printer, and are sometimes quite costly, especially where complete dummies are required by the customer. I have in mind one case where the dummy of a 700-page catalog offered by a large machinery house, which cost the printer $450.00 to prepare. It was, of course, very elaborately arranged, and while it did not get the order for so elaborate a catalog, yet the craftsmanship and business sense shown in that dummy was the means of getting the order for a less expensive book and the relations thus established have continued for the past three years to the satisfaction and profit of both parties.

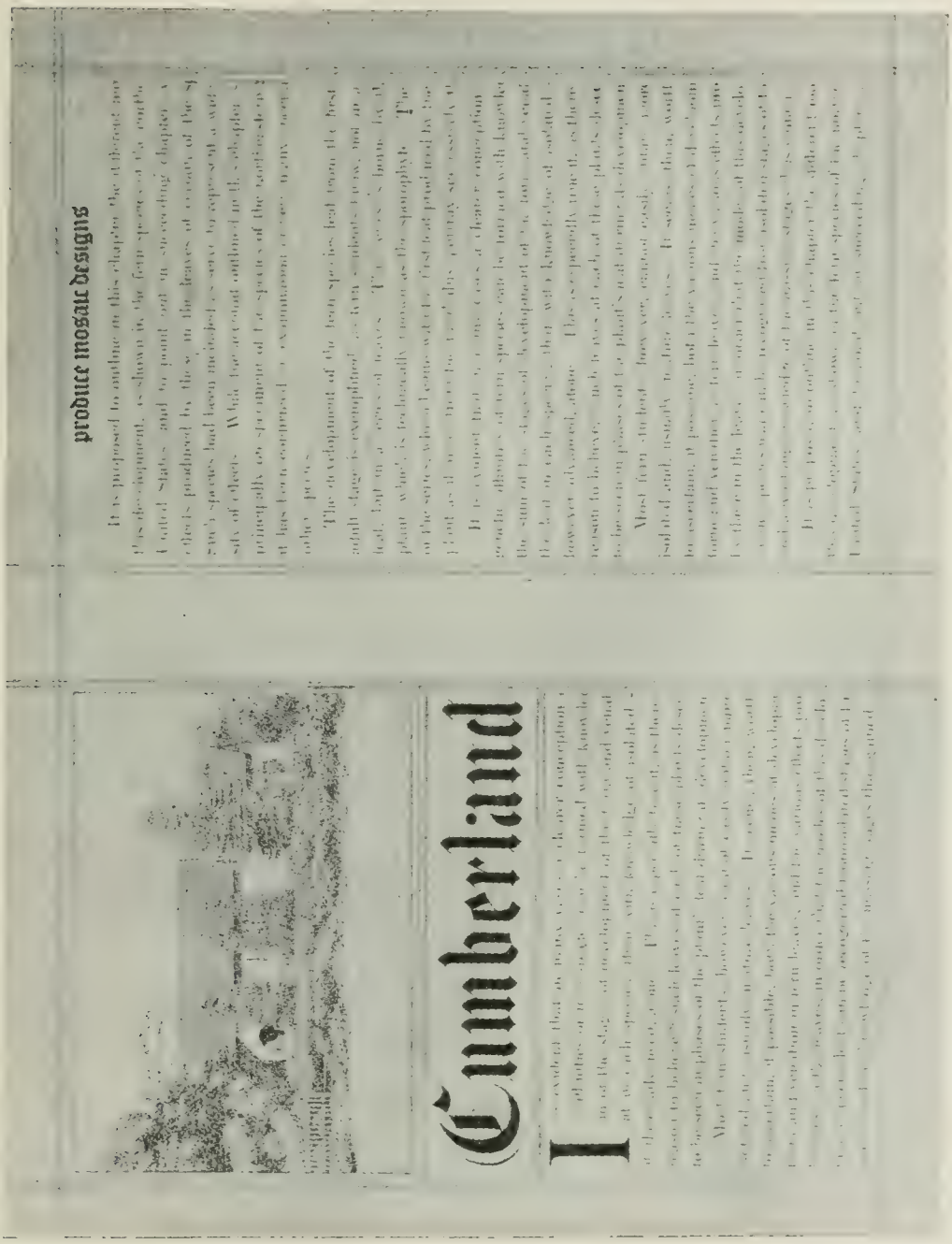


FIGURE 8

Examples of the preparation of dummies. Double page dummy made entirely from file specimens with proof of illustrations and style suggested, and double red ruled border drawn in by hand. A sixteen page booklet dummy made up in the same manner would not involve more than two hours' work for the title and text pages.

—*Courtesy of "The Printing Art."*

The advertising manager might frequently get up his own dummies and prepare his copy and illustrations accordingly.

He would save money.

Any printer will tell you that he always puts on something for the uncertainties, the unforeseen expenses, that go with the first job. As neither you nor he, under present conditions, knows exactly what either of you wants, the printer has to give a price with the greatest latitude allowed for "contingent expense."

Thus the customer and the printer are the victims of their own uncertainties.

The Dummy Method Solves a Question

The dummy method of handling booklets and folders is a solution of this.

It settles all questions of form and style, points that cause the most expensive changes.

The dummy itself is not an easy thing to accomplish, because it calls for originality and imagination, taste, a certain skill and a knowledge of types and paper denied to all but a comparatively few advertising managers.

On another page I show you some reproductions of the pages of a dummy (prepared by a prominent specialist), which could be used as a suggestion for a bank or trust company booklet.

The initial cut from a booklet printed in several colors gives a bit of color to the type, and the placing of the type form gives a pleasing richness which the quality of the paper on which the whole was pasted enhanced.

That required a bit of paste, a pair of scissors, some paper, some good taste and careful skill, and in ten minutes the advertising manager had made an outline which even a "cheap" printer could handle fairly well. We go a step further in Figure 8 and arrange a booklet for handling type and illustrations. Of course, "Cumberland" has nothing to do with safe deposit, but it has about the same space, and the view of the vaults and cages is of about the same tone quality as the little rural scene.

Get the idea?

Get the Idea?

That rough outline, done in about twenty minutes, would take nearly a day for a compositor to work out, and he would probably have to try

several times before he could guess that you would want anything like this sample.

That is saving time and work at the right end of the order—*before it is given.*

In Figure 9 I show a dummy (by the same hand) where a little artistic skill is required. This impressionistic style often gets quick results and shows a man what you want and is as good as the more elaborate models or dummies.

So far as the dummy is concerned, you want the general effect and not a finished product.

How is it going to look if handled in that way?

Making Your Own Dummies

Take a few pieces of paper, some pages from an old book, an odd illustration or so from a magazine, and if you have the knack or the education, you can soon find out how it will look.

This method of handling booklet and circular work is so quick and economical that I cannot see why more advertising managers do not prepare their work in the same way.

There are printers who will be glad to submit dummies, but I find the greatest difficulty in preventing them from giving me too elaborate a dummy.

It is too expensive, because I know I must pay the expense of such dummies, and I prefer to draw on my imagination if I must to get the full benefit of a suggestion, rather than on my appropriation.

The temptation is always to let work on a price basis.

Price where the result is a matter of artistic skill and experienced craftsmanship is always a dangerous guide.

How Much?

Where you have carefully planned a piece of printing, down to the last detail, or you have handed the printer a model by which to work, he can judge with fair accuracy of what you want. Then he is in a position to give you a price which will be fair to both.

If he doesn't know, because you don't know *what* you want, the price which he gives is guesswork, and you get guesses from so many as you may invite. If you accept the lowest guess, you are guessing that the price is low, because if the printer really knew what he was estimating on he might have been a per cent. lower.

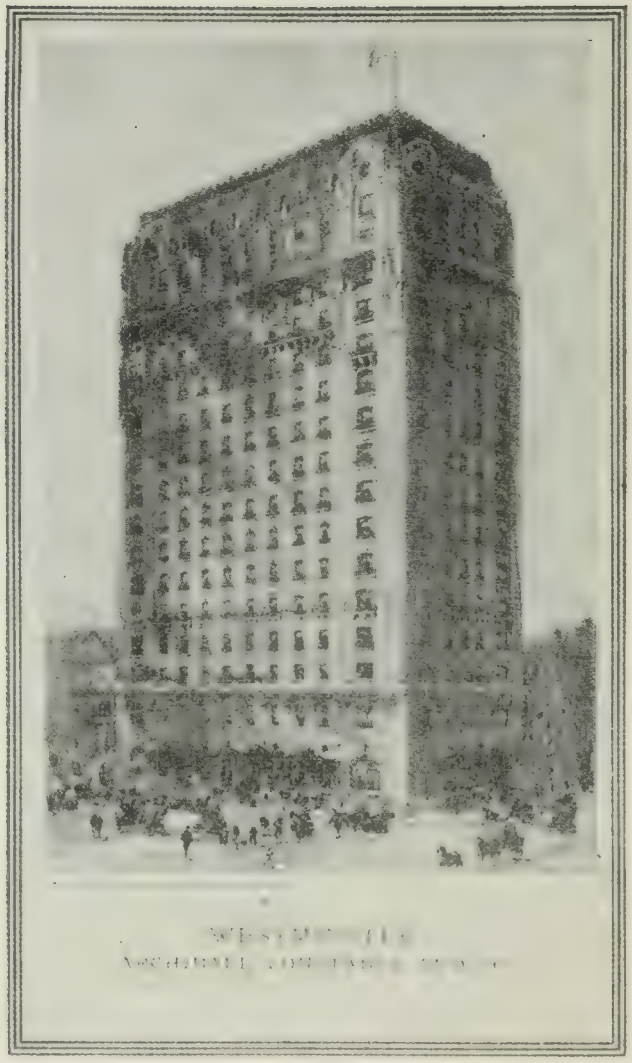


FIGURE 9

Examples of the preparation of dummies. Booklet dummy for double page and frontispiece, demonstrating general effect only, no type lines having been composed, and the half-tone from magazine illustration being colored by hand to represent proposed

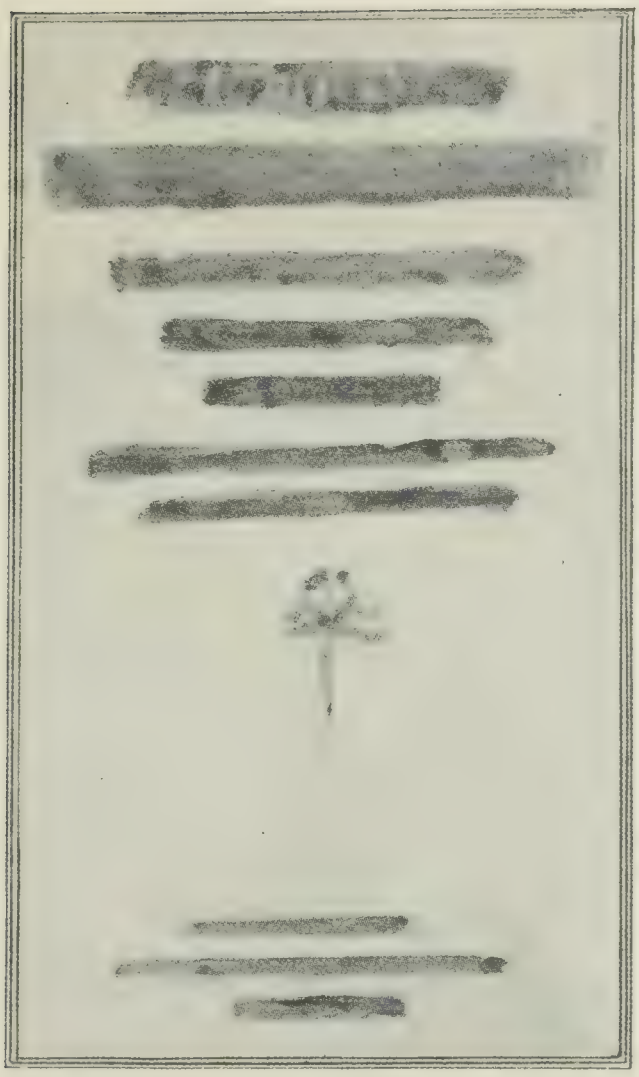


FIGURE 9

three-color reproduction. It is possible to indicate type lines and color schemes for a title page by heavy lines in water color, but this is more often done to indicate the size and length of line for a compositor's sketch than in a dummy for a customer.

—*Courtesy of "The Printing Art."*

Sounds Absurd

This sounds almost ridiculous, and so it is, but it is this method that green advertisers have forced on printers.

The man who knows how to buy printing, on the other hand, will send a dummy, embodying the type arrangement, number of colors and arrangement, illustrations, kind and style, binding, paper and character of presswork, and an indication of the time given in which to produce so many.

Precisely like instructions are given to three or four printers of similar grade and reputation. It is false business cunning to pit a poor printer against the best.

The prices will not vary more than ten per cent. on a given product.

If the booklet calls for special designs and illustrations, it then becomes a matter of judgment as to which printer can give the best service.

The Mooted Question of Price

The question of getting exactly what you want is the first essential. The price is second.

If three printers of known reputation and standing tell me a piece of work is worth $1,000, and another says it is worth but $800, I accept the lower figure only after the most complete test of the estimator's knowledge.

It is neither good business nor sound human nature to ask a printer to lose money on a job of work he does for you. In the great majority of cases you will find subsequent estimates shading higher.

If not that, you will get printing a little below the standard.

Another side, too, is that it does not pay to change printers. As an advertiser develops a typographical personality he finds one or two printers who can interpret new ideas and thoughts along the lines of that personality with distinction and dispatch. He finds that these printers help him and assist in his work.

Your Benefit

Experimenting and uncertainty being reduced to a minimum, these printers can figure closely and to the customer's benefit.

In this way some printers establish that relationship where estimates are never given, and the price is suggested only when the customer says, "Here is a booklet. I don't want it to cost more than four cents apiece on ten thousand."

ORIGINAL

Purchasing Order No.

Adv. Dep't. Order No.

Requisition and Specifications for Printing

FROM

Burroughs Adding Machine Company

Detroit, Michigan, U. S. A.

Date December 15, '07

To John Jones & Co
Boston, Mass

Name of Job Cheer Up

Form No. 11a

Size 6H Pages and Cover

Stock: Inside Bungalow - Ribbed - 25x38 - 80 lb.

Cover Folding Bristol XXX

Binding Wire stitch - Cross two 32's

Quantity 50,000

Colors: Cover Red & Black Inside Red, black & green

Cuts: Herewith by Press To Come

Submit Proof to E. D. Lewis on or before Janu 10 - 1908

Price of Complete Order $1750.

Imprint 11a-50M-121507-JrCo-Adv in 6 point must appear last page

Order to be Delivered Complete to Bam Co

F. O. B. Detroit by Deliv 3rd-08 Charges Prepaid ~~C. O. D.~~

Wrapped in Packages of 100 (With sample on outside of each package)

O. K'S. are given only on style and arrangement. Printers are supposed to read for typographical errors, and all printing is accepted with the proviso that it be letter perfect.

Deliver this order to our Receiving Department, each package, bundle or box must have written or lettered on it in plain characters both the purchasing Order No. and the quantity in each package, etc.

(If delivery cannot be made according to terms of this order after you receive O.K'D. proof, advise earliest date of delivery.)

Two conditions of this order (which no employee has a right to waive) are:-First, that twelve (12) copies be delivered to the ADVERTISING DEPARTMENT by hand or special delivery mail, addressed to the Advertising Department: Second, that any photographs, drawings, engravings or dies made for this order are to be the property of the BURROUGHS ADDING MACHINE COMPANY, Detroit, Michigan, U. S. A., and held subject to its order.

Invoice will not be accepted until order is completed.

Remarks: Sample proofs in color of 8 pp before proceeding

Signed W. W. Morrison

Approved E. D. Lewis
ADVERTISING MANAGER

69 B. A. M. Co. 12-15-07. Rex B. C. Co 5m 14090

FIGURE 10

TRACER ON ORDER

First Proof Received-Date Jany 15 Returned-Date Jany 20 O.K.? No
Second Proof Received-Date Jany 26 Returned-Date Jany 28 O.K.? No
Third Proof Received-Date Jany 31 Returned-Date Feby 1 O.K.? Yes
Fourth Proof Received-Date Returned-Date O.K.?
Held up by E. D. Lewis from Jany 15 to Jany 20
" " " " "
" " " " "
" " " " "
Reasons Jany 15-20 - Proof reading and changes

Received: Date Feby 20 O.K.? Yes
Received: Date O.K.?
Cuts Returned Yes - 2/25
Original Illustrations Returned Yes 2/25
Ordered for Adv Dept
Whose Expense? Adv Dept
Bill Approved Feby 27 Amount 1750.
Extras " None Amount
Total " Amount
Charge to Adv Department
Remarks:

FIGURE 11

THIS PACKAGE CONTAINS

QUANTITY 100

Cheer Up Booklets

FORM No. 11A

From JOHN JONES & COMPANY

BOSTON, MASS.

FIGURE 12

Many printers are to-day working with customers on such a basis, and to the former's credit, it should be said, the latter have found the arrangement economical and thoroughly satisfactory.

Handling Printing Orders

In large departments, of course, the system of handling printing orders can be more elaborate than where a printing order is an event in the day's life of a cashier.

I always use a special form, somewhat similar to Figure 10, in order to have my instructions definite and precise.

Leave no room for misunderstandings with your printer.

The form shown requires certain things that dovetail with the system in use in the supply department.

This form is made in triplicate, the original and duplicate go to the printer, who signs an acceptance form on the duplicate and returns it to me, which is filed in the clerk's binder under "Unfilled Orders."

The triplicate goes to the supply room or receiving clerk, who holds it pending delivery.

System Suggestions

The order clerk having the order in "Unfilled Orders," commences to follow it up the day the proofs are promised and each day thereafter until proofs are furnished. The same routine is followed in handling the date of delivery.

The form on the back of the duplicate (Figure 11) explains itself, showing all the processes through which the order passed in the process.

When the goods are delivered to the receiving clerk he compares with copy of order, principally as to quantity. Twelve copies of the finished article are handed to the order clerk, who inspects, passing a copy to my desk. Having passed both of us, the order is declared filled, and the receiving clerk's notations are indicated on the back of the duplicate, his copy filed in his office and ours going to the cost record for future reference.

Don't Proofread

There is one thing I positively refuse to do—read proof for a printer. It is one of the impositions of the cheap printer, who escapes paying a competent proof-reader and escapes a great deal of responsibility by making the customer responsible for errors in proofs. The printer should have a competent staff of proof-readers; it is a part of the service for which you pay any first-class house. You should insist on it, and have it distinctly understood.

REQUISITION on SUPPLY DEP'T. STOCK ROOM

Adv Dep't. Date March 15 1908

Quantity	Name of Articles	Cost		Charged to
1000	Banking by Mail	80	—	Mail order

Received by CNS Date 3/16 1908

SUPPLY DEP'T. MEMO

Checked out by O.K. J.

Ent'd on Card H.T

Ent'd on Record ACS

DEPARTMENT O. K.

Esh

All Requisitions must have the O.K. of the head of the department ordering the goods.

Unless otherwise specified, all goods ordered on this requisition will be charged to your department.

FIGURE 13

Of course, your own copy must be letter perfect, as the rule is, "Follow copy even if it goes out through the window."

Reading Proof

The larger houses do not recognize this rule as justification for copying a palpable error on the part of the one who prepared the copy. The expert proof-reading staffs of these houses have done much to raise the standard of commercial English, and at least make it correctly express the thought it was intended to convey.

Each printer should be required to use a label arranged like that shown in Figure 12, which should be pasted on the end of each package, box or bundle. In this way the package may be stored in the supply room with a regulation identification mark plainly showing. The form number of each piece of printing should be shown on the right-hand side of the last page, in the bottom margin, and should never be set larger than nonpareil or six point.

1	2	3	4	5	6
Form 95	12907	10 M	R. & Co.	Adv. Booklets.	First Ed.

System Suggestions

1 Gives the form number for identification.

2 Indicates that the job was ordered finished on December 9, 1907, which information assists in determining how many copies are necessary in the next order, because it shows how long it has taken to exhaust the edition.

3 Shows how many were ordered.

4 Indicates the name of the printer.

5 Shows what ledger account the bill was charged to.

6 Shows that this was the first edition.

The value of having this information on the work itself is that it prevents a constant reference to records when quick information is sometimes required.

Some advertisers use a code to indicate the cost of each piece. I do not see the value of this, and again it is sometimes impossible to put the exact cost on a piece of work before it is finished.

The supply clerk should have a card record of all supplies arranged for perpetual inventory, so that the supply on hand can be gauged at a glance. This is necessary in cases where circularization is needed for some particular purpose, quickness may be demanded, and to know the exact supply of any piece of printing or advertising at once is a tremendous advantage.

One of the ways of keeping this shown in Chapter XIX. This is a card which is kept in an index drawer, with guides for numbers, because all printing will be referred to by its form number. Whenever pieces are taken from the bundles the clerk marks down in the delivery column the number so withdrawn, then totals the net amount on hand.

A capable clerk will save his wages of $50 to $75 a month in preventing wastage. Where a clerk is employed he can handle all office supplies as well. The clerk must show a voucher for every item of property he lets go out of his possession.

He should require a department requisition on the order of Figure 13, and at the end of each month show in valuation what each department has used.

In all cases a "low-water mark" should be placed on all supplies. This low-water mark is the danger point; when your supply reaches that you know it is time for you to decide whether you are going to renew, change or substitute. You determine by experience where to place that mark, usually by multiplying the number you use per week by the number of weeks it will take you to get the new supply.

In the larger departments a printed formal notice sent to the department using the supply will be found serviceable.*

System Suggestions

In handling costs you will have to be careful to get an accurate cost and have a readily accessible system. The envelope system, filing by form numbers, will be found to be the most practicable.

In an envelope§ you place a completed copy of the order, the original copy of the printer's order and any special correspondence about the order, leaving a memorandum in your correspondence files for the purpose of reference. At any time all that is required is to get your form number, and you can have complete details of the order, its history and results, in your hands at once.

It is remarkable how much a comprehensive cost system will sometimes save. A printer frequently says he will duplicate a job for the old price, when, as he has a pattern to follow and no extra work for corrections, reset, changes, etc., on the second order, he should do it for much less.

---

*See Figure 15, Chapter XIX.
§See Figure 14, Ibid.

CHAPTER XXIII

THE DEPARTMENT OF NEW BUSINESS—THE TRAVELING REPRESENTATIVE—BUSINESS-GETTING EMPLOYEES

THE SALES—ADVERTISING AND MAIL DEPARTMENT—"ASSETS DO NOT TAKE THE PLACE OF FRIENDS"—THE STORY OF A BANK WHICH CARED NOTHING FOR FRIENDS—THE FINANCIAL DEPARTMENT STORE—BUSINESS TACT AS AN ASSET—BY WILLIAM O. JONES, NATIONAL PARK BANK, N. Y.—HOW IT CAN BE OPERATED—WHAT CONSERVATISM THINKS OF THE SPECIAL REPRESENTATIVE—WHAT THE LIBERAL BANKER KNOWS—HOW THE DEPARTMENT IS OPERATED—WHAT THE SPECIAL REPRESENTATIVE DOES—THE REPRESENTATIVE WHO REPRESENTS—THE METHODS THAT HAVE WON IN OTHER FIELDS—RULES AND REGULATIONS THAT PRODUCE CO-OPERATIVE BUSINESS GETTING AMONG EMPLOYEES

THE DEPARTMENT of new business is not like a sales department, it is not exactly an advertising department, but it is both these and more.

It takes charge of the new business, creating it and caring for the new people who come to the bank.

The Principle Applicable

The principle on which it works is applicable to every bank, no matter whether it is a one-man bank or a concern employing hundreds.

It is the official department for the training of the force to back up the "glad hand."

In some banks it is already a well recognized and organized department, but it can be developed several steps farther.

Instead of being a sales department, operating the advertising, it can be made a powerful organization for business-getting and keeping. That last is one of the most important factors in the banking world.

There is a change coming over the old time methods. "Assets do not take the place of friends," as some of the bankers who have gone through the flurry of 1907 can testify.

A New York bank whose business has grown to national proportions, some years ago learned that lesson:

> Every one knew that it was a strong bank, but notwithstanding a yearly showing of large profits, it could not attract out-of-town accounts.
>
> Other banks with smaller resources did ten times this kind of business. The problem was studied in a practical way. It was found that the large bank with its great resources was a forbidding place, where everybody received a chilling reception. It earned dividends but it turned away friends.

Country correspondents during their visits were looked on with suspicion and their business standing questioned. At the hotels they were not called upon nor paid any attention or any interest evinced in their personal affairs.

The bank's staff was complete except for the absence of a "specialist in the art of making friends."

Such a man was finally employed and put in charge of the out-of-town department.

He reorganized everything, shattering rules and violating traditions.

Then he turned his office into an information bureau for the use of visitors. He studied the needs of the bank's correspondents, noted the subjects they were interested in and had a pleasant word for every one who called.

A New York Experience

He acquired the "convention habit" and went wherever bankers congregated. That strengthened his connections and made his institution known throughout the country. The effect was magical. Business poured in from all sections and the increased volume of out-of-town accounts surpassed all previous records.

The bank organized itself into a "financial department store" and advised correspondents that anything desired in New York could be obtained by telegraphing for it at a cost not beyond outlay.

The result was, flower orders for friends aboard steamers, attention to arrivals of friends from abroad, visiting sick friends at hospitals, buying wedding gifts, transportation of friends from one depot to another, were among the demands on this new department. All these things involved expense, labor and energy, but they were worth while.*

The advertising could not do it all—in fact advertising could only bring the customer into the bank, when it became some one's duty to make that visitor a customer.

I have before spoken of the air of repellent aloofness that seems to chill the air of many banks.

It is absurd as a business proposition; it is foolish in this America where the attitude of the people is iconoclastic; it is impotent where a bank needs the confidence of the public.

There is a certain dignified cordiality and courtesy that should be shown every one, no matter whether gift bearers or gift seekers.

An old and successful business man once said to me: "When you grant a favor that you *must* grant, and don't want to, do it with a smile; when you have to refuse a favor that you wish to grant do it with a tear in your eye."

Hypocrisy? not at all; it is just the courtesy due every man with whom you come in contact.

Business Developers

I believe that every bank of any size will soon have men free from the routine of system and any of the desk details of making loans, who will be official entertainers and new business developers, who will know what can be done and how it is done for customers

*"World's Work."

What it Means

I believe that local representatives will be employed to obtain the savings accounts of the average man and woman, and the commercial accounts of the small business house, and employed out of town to get the business of the small city and country banker.

I believe that this business-getting department will be organized on the basis of the sales departments of other great corporations, and that the business will gain in strength and prestige through it. I believe that this has to come when the realization is finally forced home, that the business of loaning, of conducting the internal economy and the matter of getting new business are three separate and distinct functions, and that it is a dangerous thing to place the three in the hands of one man, or even a set of men who look after all of them.

Means a New Department

This will mean a new department in a bank, which may be known, for instance, as the Department of New Business.

It will give the customer an opportunity to be brought into personal contact with an official of the bank, but one from whom he does not get his loans. The reasons are obvious. Personality, for two hundred years, has been conceded to be the most potent element in banking. It is bound to continue to be so, and just in proportion as personality must play this part of business getting, so must personal solicitation continue and grow.

In a recent address on the matter of personality in banking, Mr. William O. Jones, of the National Park Bank, New York, made these very pertinent remarks:

What Mr. Jones Found Out

I shall never forget how forcibly I was impressed by an incident in my own early experience, and in connection with the opening of my first bank account. It was in the city of St. Paul, Minn., in the '80s that I took my scanty savings resulting from my first month's labor after leaving college, and tremblingly entered one of the national banks of that city. I was not acquainted with any one in the bank, nor was I informed respecting the necessary steps leading to the opening of a bank account. I patiently waited until the receiving teller was disengaged and then, in a rather beseeching tone of voice, intimated to him that I would like to open an account. His first and only reply (pointing to a desk in the corridor) was, "Well, there's a pen and ink over there." I was little the wiser from his remark, felt completely chagrined with the treatment received, and gave that bank a wide berth. This particular receiving teller may have been thoroughly qualified, so far as the purely clerical requirements of his office were concerned, but by projecting his "personality" into his work, and that personality being a negative, rather than a positive force, he continually jeopardized the welfare of the institution with which he was identified. What a magnificent opportunity is accorded to the intelligent, courteous, broadgauged teller to cement the ties which serve to bind more closely the bank and its dealer. What an equal opportunity on the other hand, is offered to a teller who is narrow in his sympathies, combative in his disposition, inconsiderate in his methods, to create discord, criticism and dissatisfaction among those whom it is his duty to serve. "Personality" counts in the teller's department as

much, if not more, than in any other department in bank work, with the possible exception in the case of the higher officers.

What Mr. Jones Found Out

In the case of the country banker, the necessity for and desirability of developing the element of "personality" to its highest state of efficiency, is even more essential than in the case of the city banker. The medical and banking professions in the country and city bear a certain degree of similarity to one another. In the case of illness in the city there are specialists for the various disorders to which the human flesh is heir; experts for the treatment of the eye, ear, throat, lungs, nerves; not so in the country, however; the country practitioner must necessarily be more or less familiar with these varied branches of his profession, and so far as possible master of all of them, and therefore he generally represents a personality whose influence in his particular community is far-reaching in its beneficent results. In the large banking institution there are experts connected with its various departments—men competent to pass an intelligent opinion respecting mercantile credits, foreign exchange, listed securities, the analysis of reports, etc. Not so in the country bank, however. In the local financial field, the country banker is "IT," in capital letters. The specialist in the large city bank, pursuing his work within his well-appointed groove, may be inclined to lightly regard the very important place occupied in his community by his brother, the country banker.

The country banker probably comes into closer touch with his customers and his community in matters religious, educational, social, charitable, political and especially commercial, than any other inhabitant in his section. For instance, the country banker is generally expected to take the lead in matters pertaining to the moral welfare of his community. Who more competent than he to serve on the local school board, as well as to be a shining example to the young men of his community of the value of education? He is expected to be more or less familiar with law and to be prepared at all times to give intelligent legal advice to his customers; to settle legal disputes from the law point of view; to examine and pass upon abstracts of title, as well as to prepare all sorts of legal documents, including wills; he must be a past master in connection with insurance matters, and be prepared to write the various sorts of policies—life, accident, fire, etc. In matters of investment, to whom do the village folk turn for advice and co-operation except to the local banker? He it is who zealously guards the widow's mite and the orphan's pittance. In the political arena are not the views of the local banker eagerly sought for by his fellow townsmen, and do not these views exert a powerful influence upon the local vote? As to the farmer, the country banker must surpass all competitors; he must be prepared to discourse intelligently upon the rotation of crops, the superiority of this breed of cattle over the other, the proper time to plant and to harvest, etc., in brief, our ideal country banker is a composite production, embodying much that is best in the preacher, teacher, lawyer, farmer, doctor and artisian—one whose example, influence and personality should leave an impress in his community second to none.

But to depend in the cities on the personal efforts of officials is to give busy men more than enough to do, or to overload the bank with ornamental heads.

Sub Rosa

The Department of New Business can be a *sub rosa* department. It's letter head may be the name of one of the vice-president's or he may be "Assistant to the President," or an Assistant Cashier, what you call him or his department does not matter in-so-far as the working out of the principle is concerned.

The matter is one of organization for effective work.

It Concentrates

It concentrates the new business of the institution in the hands of one official, and in this way the bank may obtain a certain consistency of attitude in its advertising and solicitation.

Many bankers of the first importance say soliciting "does not pay."

An expert analysis of the methods and even a casual glance at some of the representatives, would discover the reasons why.

Most of the critics, however, do not object to solicitation but just "personal solicitation." They don't want the competition of strong representatives; they don't understand that part of the great scheme of business-getting and they find an argument against it according to their desire.

One banker from the Pacific Coast recently waxed sarcastic at the expense of the new methods:

A Sarcastic Banker

Personally soliciting accounts may not be bad banking, nor even doubtful banking, but it is not dignified banking. It lowers the standing of the bank in the eyes of many conservative business men and puts it into quasi debt to the corporation from which the account was solicited.

The good name of the bank can not be guarded too jealously, he said. To have the officers running from one business house to another soliciting accounts cheapens the reputation of the bank. The next step is to hire solicitors to go from residence to residence and from kitchen to kitchen begging for depositors. The final step will be sandwich men in the parade, a German band in front of the bank, and a free lunch counter inside.

In the east it may be up-to-date banking to have a corps of well dressed drummers on the road whose calling is disguised under the sonorous sounding title of 'Assistants to the President,' but when one of these polished accessories of modern banking 'casually drops in' I mentally blacklist his institution and am more than ever content with Eastern correspondents who are behind the times in their business methods.

Closely akin to solicitation is the habit some bank officials have of joining every order and organization in existence with an eye to the treasuryship; even the Salvation Army and the latest political ward club are not safe from bank officials afflicted with this mania.

It is apparent that the speaker utterly fails to realize the difference between the salesman who sells a high-grade article and the "barker" who "ropes into" the second-hand store the unwitting foot passenger.

If there were no distinction between methods and men, if this banker's description even approximated the truth, there would be no place for the salesman in the banking business. The contrary view, as expressed by another Pacific Coast banker is interesting:

Life is Short

Life is short, however, and men of affairs are chained to their desk hence arises the necessity for an intelligent assistant, or representative, who can do this work and save the valued time of his superior officer. Such a man can, in my opinion, do better work if he has a title. We call the gentleman who fills the position with us our 'General Representative.' A man capable of doing this work

well, must be possessed of varied qualities; he must, above all things, be kindly, courteous and tactful. He must be well educated and fully informed, not only in regard to the various departments and facilities of his own Trust Company, but as to financial matters in general, and the customs and practices of different markets. I knew of an instance in which a number of men at a lunch table on the Pacific coast, asked a Trust Company man who was present, to explain to them the peculiarities of 'call loans' as made in New York City, with explanations as to the rights of borrowers and lenders in those transactions, and I am very sure that that man's Trust Company was not a loser, because he gave them an interesting explanation, and answered their questions as to 'call loans.'

Another Who Believed

Moreover, the 'General Representative' must be full of loyalty and enthusiasm for his own Company, and able, by careful analysis and explanation of its statements, to show the value of its resources, the strength of its reserve, its points of excellence, and the many advantages which it offers to the public. He must be willing to serve his Company's patrons, present and prospective, by all means compatible with honesty and dignity. I knew an instance in which the 'General Representative' of a certain Company wrote some business letters for an invalid lady; she died a few months later, and to-day that Company is handling her estate.

The greatest aim of the 'General Representative' should be to get new people to come to the company's banking rooms and meet the officers or heads of departments, whose duty it will be to emphasize the good impression that has been made, and to convert the new friend into a permanent patron of the company.

A witty Irishman once observed: 'Sure now you can't be in two places at once, barring you are a bird,' and so a time comes when even the 'General Representative' finds that he can not be in two places at once, and so we are led insensibly, but logically, to the need for that greatest and most productive form of advertising proper—THE PRINTED WORD."*

There is a place for the representative, and his place is recognized and accepted, and the largest, most progressive and most useful banks of the country are making a place for him and putting his work on a business basis.

So long as it pays the banks as it does pay, to have "well dressed dummies on the road," it means that the business and banking public find such methods acceptable and mutually satisfactory.

There is nothing left to say.

It is here.

It thrives and fills a want.

What are you going to do about it?

Quit it!

It will require something more than dogmatizing about "the dear, dead days of the long ago," to turn the hands of the clock backward.

There are three phases of the work of the Department of New Business, of which I wish to speak:

*Benj. I. Cohen, President (Ore) Trust Company.

The Organization Scheme

1—The organization of the Department.

2—Traveling Representatives.

3—Co-operation of bank employees in getting and holding business.

The organization of the department cares for the same records as those of the typical advertising department, because the Department of New Business is simply an expansion of the advertising department.

Blest, indeed, is the advertising manager who has to work under an official who has the real business-getting instinct; who wants business, who confesses he wants it, and is not ashamed to go after it.

The motto of such a department should be the warning:

"Business goes only where it is invited; it stays only where it is well treated."

It is the department's business to see that the warning is heeded by every one in the employ of the bank.

The records of the Department of New Business not only have the names and addresses of the people in your own territory, but have the necessary facts about them also. The Credit files are scanned for prospects. The records are kept up with the help of data from a hundred sources—club, society, real estate tax lists, the news columns, the trial lists and so on.

A Suggestion

Look up your "Country Correspondent Prospects" and you will find:

FIRST STATE BANK, Johnstown, Montana
Irving R. Jones, President **Alex Smith, Cashier**
$25,000 Capital **Deposits (December, 1907, $102,911)**
Chicago Correspondents
New York **St. Louis** **Reserve**
President Jones principal stockholder, 53%; large ranch owner, rated at $300,000, good. Directors, all ranchmen except E. B. White, lawyer; fair standing. White, Attorney.
Cashier has to refer all matters: see Jones.
Called March 1, 1907 **Richardson rep't filed, 194.**
" January 15, 1908 **" " "**
Prospect, January 15, 1908, wants us to handle all Chicago Stock business, —%.

The reports give detailed conversations or digests, as the rules may be.

Turn to the Local Record, and you will find records like these:

Robert E. Smith, farmer; moderate circumstances; no bank account.

Thos. L. Smith, (son of R. E.) industrious wage-earner; no bank account.

Caroline Smith, (daughter of R. E.) teacher, regularly employed; no bank account.

David Thompson, painter; does small contracting; no bank account.

Samuel Barton, painter; employed by Thompson, estimated earnings, $600 a year; no bank account.

Representatives on the Road

The representatives on the road report each day the calls and the results. These reports are kept on file, either with the cards of the customers and prospects, or in special report files.

Each representative is carefully routed, allotted certain territory and is expected to produce results. A careful record is kept by towns, and his territory is checked up once in every six months to see what he is doing, what towns he has made, what towns need attention, what advertising has gone there, and what kind of business has been procured. Some representatives are traveling bond salesmen, too, and these are generally sent into territories where other conditions do not make the soliciting of accounts profitable.

As can well be imagined the traveling representative is an important man.

What He Reports

There is one bank I know which employs four special representatives who have special work and particular territories. One man travels the local territory—which is within 200 miles of the home city—one goes east, one west, and one south. Each of these representatives forwards daily reports on the condition, methods and personnel of the banks, trust companies and corporations he visits. It very frequently happens that large corporations having a number of branches will carry bank accounts in a number of cities. Again, corporations having a surplus distribute it widely. It is the business of the representatives to get this kind of business, because surplus accounts are nice things to have on certificate, especially in an active local money market. The corporation's local manager, of course, may, and generally does, have a good deal to say about the local account and where it shall go, but a word from the home office helps the local bank representative.

He is It!

Again the traveling representative calling on the smaller banks or on the banks in distant cities, has the pleasant duty of appointing, or arranging terms for the appointment, of correspondents. He arranges the balances and the terms of the business. His reports to his home

office not only give figures and the terms of his deal, but he comments on the methods and the personnel of the institution.

The traveling representative also presents to the large jobbing houses, and the manufacturing concerns handling a large number of small accounts, both receivable and payable, in his city, the advisability of carrying a checking account with his bank, so that they can escape collection costs.

The many opportunities for getting into interesting bond issues and keeping in touch with state, city and county fiscal officers, give the trust company advantages, as well as the banking representative all the opportunity he wants to make money for his employers.

The Cry of the Banks

The cry today in the bank, the savings bank and trust companies, is "Increase deposits."

In a local way we have seen what schemes are resorted to, to get business.

It is a matter of common knowledge that banks have paid as high as 3½ per cent, and at the same time have granted discount accommodations out of all proportion to balances and the character of the statement submitted.

The main object has been to get the name of the depositor on the books. This is accomplished, as a banker said recently, without reference to the obligation of promises. When the depositor asks for fulfillment of these promises, the banker repudiates the understanding, or hides behind flaws in the statement. Of course this is not only poor banking but it would be poor business in the Bowery second-hand clothing dealer. That it is not over-drawn one single letter, almost any growing merchant in Boston, New York, Pittsburg, Chicago can tell you. In such cases the solicitor from the other bank gets a legitimate opportunity.

Special Arguments

There are again certain cities in the so-called "discretionary class" with respect to charges on collections. Representatives from banks in these cities make the most of this point. It has been found, too, that certain banks could be of material assistance in procuring the U. S. Depository designation. When a certain Western bank wanted this designation it was informed by Smith's uncle's cousin's nephew that a certain New York bank stood very close to the Treasury Department at Washington, and if the Western bank's New York balance were transferred to this certain New York bank there would be no trouble about

How it is Done

getting the designation. It was a matter of a few days when the local papers of the Western city announced to their local constituency that Uncle Sam had honored the local bank by designating it a U. S. Depository, whereat, of course, the populace waxed more proud, not knowing, of course, how its funds had been juggled in New York, in order to pay for the preferment.

The traveling representative has not always been a man of conspicuous ability. Sometimes he has been a young bookkeeper who has developed an ability to "meet people." He works along certain well defined lines and is not authorized to close anything that does not have the necessary *quid pro quo,* referring all other propositions to the bank officials.

The Kind of a Representative

The traveling representative of another bank is vice-president, who is also an officer in the State Association, if possible. He goes to all the state meetings and as he is picked for his "safe and sane" views, and a certain ability to give them utterance without being too commonplace, he makes as many speeches as he can, and gives out interviews on "crop conditions," "the President's policy," "the reform of the currency," and similar staple subjects, of course endeavoring to get in a large slice of local color so as to make the local banker feel good. Never under any circumstances should the representative give out the impression that he is there to take money away from the town, but on the contrary, he is looking into some investment opportunities, and may bring some into town.

The traveling representative visiting the large cities, meets big men and he must be a big man. Some of the New York and Chicago men have one or two of their best men on the road a total of several months a year.

Students of Men and Conditions

These men must be students of men and conditions; they must know and be able to discuss financial and business matters "from the inside," because they meet some men of the largest affairs. They are selling the most perishable commodity in the world, and they must have a thorough knowledge of its subtleties and complexities. They must know how to approach and present a proposition. They must have personality, just as any salesman must have it.

Banking is a business.

It is getting to be more of a business. It is not a kid glove game nor is it a top hat game. You may wear them, but you must forget them. It

Certain Traits

is a cold business proposition, this buying and selling of credit, but the men who enter it must not forget that as long as certain traits of personality, and character and mind have their influence over will and reason, *how* a thing is done will always be important to the strongest proposal and many times more vital to a weak one.

The traveling representative must have tact—enthusiasm—knowledge of the business—a good appearance. By tact, I do not mean a spineless surrender to the whims and dyspepsia of the man interviewed—but it is the fine art of shaping things to our ends without letting the man know that we are doing them for any other reason than the ones he suggests.

Center a man's thoughts on the proposal and you, but do not let him be conscious that you are doing so. To do this you must know what you are going to do before you do it. This is the hard thing to make a salesman understand.

The Salesman Born and Made

A salesman always thinks salesmen are born and not made, and with this half truth to fortify his ignorance, he blames the proposition or the buyer for every failure. Salesmen are born *and* made, and some are born who can never become salesmen, would be probably the better way to put it. Analyze it and the salesman will see that to know what he is going to do is to go prepared against a man who is unprepared. When a salesman waits for "the inspiration of the moment" he is waiting for the possible customer to set the pace, and that is wrong.

Reverse the proposition.

Study the customer and his bank before going near him. Fit the proposition to him and his bank before a word is said to him.

The salesman must show the prospect that he has come to give and not to get.

Admit the manifest objections and meet them and mention the advantages. Go loaded to the chin, shoot your ammunition carefully, and aim it at the customer.

How He Solicits Business

Stop once in a while, in the course of a canvass, and take stock. There is no use of making so much smoke that you can't see the white flag of surrender. Many a man reasons a business out of a man and then talks it back again.

Be enthusiastic—because you can't make men believe in you if you don't believe in yourself.

It is generally believed that enthusiasm is out of place in banking, but we have seen so many old saws laid away in the camphor of dead things that we would better put that there too.

Put it in Camphor

There is no law, unwritten or written, which says that an active, ever-present faith in the eternal rightness of your institution is not a good thing for any bank, for us and the business in general.

Enthusiasm will make the little accounts worth while and make the hard work easy when you are after the big ones.

The business-getter who is not enthusiastically loyal to his institution in all his relations with the public, if not a menace, is a detriment to it.

"Faith is as fragile as butterfly dust and easily brushed from the wings of the soul," said a poet.

The man whose whole attitude does not breathe that serene confidence in his concern, can not arouse that confidence in his prospective customer necessary to the success of his mission.

Thorough Knowledge of His "Goods"

Another thing, the representative must have a thorough knowledge of banking or trust company service, because it is that service which he has to sell to the man or institution he approaches. This is directly opposed to the practice in some banks, which seem to pick the greenest and rawest recruits to go out on the road. The comments of the bankers they call on are a sufficient condemnation of such a course.

The bank representative must be a banker as well as a salesman. For this reason it calls for a peculiar and hard-to-find combination of characteristics. The representative must be a man of cool, calm judgment, yet he must have the enthusiasm and initiative of the business-getting salesman. He must know business methods of commercial houses, or he will ignore chance after chance to do business.

For instance, the representative of a bank who visits the home town of a large business may not know that the corporation carries a $10,000 balance, and a $100,000 surplus in his own town. If he had been up to his opportunities he would know something of that and would prepare the way for future opportunity in getting the business.

Know Your Territory

In selling bonds the salesman must get his information as to investors from the most unlikely places. He must know people and know how to use people in getting to know other people.

Needs no Apology

He must be known and favorably known to his people. We frequently see and hear men who claim acquaintance with the moneyed man, but the investor doesn't know the representative. It is the man who has won and held the confidence of the investor who needs no apology for the way in which he does his work.

Appearances cost a lot—if they are deceptive. It does not do to over-dress the part, and it is not good business to under-dress it. The main difficulty with the young man is, he generally underdoes or overdoes a good maxim. Russell Sage could afford to dress in a cheap suit and look seedy, but a young banker with a reputation to gain, can not. The over-dressing is far more vulgar and leads to bad impressions. Some bankers require their men to wear either black or blue clothing and black ties. You may say that many good bankers have been men who paid no attention to dress. True, but that did not make them successful, but it was in spite of it they succeeded.

A business man once said: "The man who calls attention to his clothes is generally distracting attention from the man inside them."

Appearances

It is the same old saw: "A banker can not afford to appear unsuccessful, but he can not afford to appear as successful as he really is." The public wants to know "where he is getting it."

The public wants to associate with a man who has made good, but it begins to back away from a man who is too flush.

Dress is the most apparent indication of what you are, and for that reason nine men out of ten will estimate your value from that. It is good business, therefore, to dress well, but not so as to attract attention.

Not a Mere "Bell-Puller"

In seeking interviews the New York or Chicago business man is different from the country business man. In New York business is conducted under high pressure—practically all the business is done in four hours—10 A. M., 12 M., 2 P. M., 4 P. M.—and the rule of "cut it short" is absolute. In Philadelphia and Boston it is not so strict, and in the Southern cities one may "visit." The bank representative, on the other hand, must always fit his call to the case he is working on. It is best to arrange interviews beforehand, because the banker or official has an opportunity to arrange his work and let his mind free to listen and weigh your arguments. No representative should degenerate into a mere "bell-puller," as they call the door-to-door canvasser. He should know just what he is going after and as nearly as possible just how far the

proposed customer can come to granting him the business, provided he can convince him.

Talk to the point and don't visit.

Straight Talk

No matter if you are calling on a man who wants you to stay; he will like your business-like methods and it will create more confidence. When he asks questions answer them to the point, thoroughly, clearly and fully. Don't dodge. The "slide" as some call it, by which you side-step the question and try to lead off into something else, may not be remarked; he may not ask you the question again, but it is almost certain that he has made mental note of it and you have made an impression that it is going to require some hard work to overcome. Be frank about your weak points and your strong points become stronger.

If you have facts, figures, reports to back up your statements and claims, try to lead him to ask for them. If you can not get him to that point, don't say, "I have the reports here, Mr. Jones, would you care to see them?" Go ahead, assume he does want to see them, and make him take hold of them and then take him through them. First point out a few places where your lesser claims have been corroborated, and draw him into some statements and comments as you go along, and then throw the major, vital facts and proofs at him right from the shoulder. Assume that he is going to do business with you, of course, and that it is simply a matter of getting the business this particular day.

Handling a Customer

Let him talk—never interrupt.

It is his right and privilege to do all the talking so long as he is telling you things that will give you a firmer grasp of his business, his character and personality. Given these things your selling ability must be of the quality that can do the rest.

Of course, you must arouse your prospective customer's interest. Suppose you were to enter your customer's office, and after the usual greetings, would say: "Mr. Brown, the Central National carries business from nine of your Board of Directors. It has been paying 12 per cent. a year for the past eleven years. Our capital, surplus and deposits are all larger than those of any other institution in the city. We can do more for you, because our cashier, Mr. Jones, used to be in your line of business and understands better than most bankers what we are capable of doing. He asked me to call on you when I was in the city and tell you these things."

Suggestions

The manufacturer who wanted accommodation would listen after that.

It is not necessary for me to go into details about the different kinds of business in different parts of the country, or what kinds of business pays best. Those things lie in the experience and the initiative of the manager of such a department.

Back of all business-getting organizations stands the bank to make good all that the representative or his superior has promised in so many words or implied by their anxiety to do business.

The bank must make good.

Right here it may not be out of place to introduce a few comments and suggestions on the ways in which the humblest bank employee may back up the Department of New Business, in a way to make its record better and the whole bank more prosperous.

A bank should be conducted on the lines of the best system, and the most efficient discipline. Every employee should act and live by the same well defined laws of good practice. A banker is a banker twenty-four hours of the day, and he can not afford to forget it for a single moment. This must be a part of the training that all the employees receive.

Success Rarely "Happens"

It is only through mistakes, error and sometimes disaster, that things evolve—success *happens* once in a while. No bank can afford to wait to see what is going to happen. It must always be master of its own fate.

So the item of discipline, which is nothing but system applied to human nature and intercourse and relationship, must be exacted.

It is right here that the importance of the inside organization of the bank comes into play. It is vastly important that the entire organization be keyed to business-getting pitch.

It is vitally important that the stranger who enters the door should be made to feel just as the advertising has made him feel—that he is wanted and his business is wanted.

The bank atmosphere must be warmed up if it is going to be made an attractive place in which to do business. If a banker wants the business of the people he advertises to obtain, he must instruct his employees so that each one will feel it incumbent upon him to do all he can

to make the stranger, the visitor, the old or the new friend, welcome and at home.

Teaching Your Employees

In order to accomplish this it is necessary to teach the employee some of the very first principles of successful salesmanship.

The average bank is satisfied with one salesman, who is generally the cashier. He is selected because he is most successful in meeting people. He probably has the prestige of success in another institution in which he grew up and received his training. The main point in a large organization is to bring all the employees up to a higher grade of efficiency. It is poor policy to train a certain few "to meet people." This is against the organization idea and against the policies that obtain in modern business.

We take two men; one is a successful salesman. He can approach people; he can interest them and has a convincing way in which he presents his propositions. Another man with just as much brains, just as clever, just as attractive in his personality, fails to do the work that the other man has done. Why?

Salesmen are just the same as children, of whom you can take fifty, put them through the same course of training, and the vast majority will graduate, having covered a certain course of study; whereas, if these children had been left to their own devices, probably but one or two could ever have passed the necessary examinations.

Selling can be taught—it is taught in the largest, and the most successful commercial concerns.

Noted Examples

The National Cash Register Company has been teaching its salesmen for seven years; all the large insurance companies conduct schools of salesmanship; the Burroughs Adding Machine Company conducts a school of selling. These schools are hardly anything but clearing houses for salesmaking ideas.

The one man who is a successful salesman has certain arguments, certain methods, by which he reaches and convinces men of the merit of his proposition. It is true that he varies these with different conditions, but close analysis will find that the fundamental principle, the central idea, of all his work revolves around the same technical information and the same set of methods. These methods are just as good in the hands of another man; these arguments are just as good in the mouth of another man, but the great difficulty has always been that every salesman endeavored to develop an original way of handling business.

What argument can be stronger than the argument which gets the order?

What method of approach can be more effective than the one that gets the possible customer's attention and his willing ear?

Using all the Brain Power

Yet, in the majority of cases, business men have let all of this brain power, this sales experience, go to waste.

The green man in the employ of a concern was permitted to work out his own ideas, his own destiny. He was told to "make good," and the idea of making good was to get out into the territory and sell goods. Very often, in the very act of making good, the green salesman spoiled the territory for a legitimate increase in business. He made good for the time being and spoiled it for some man who came after him.

The insurance companies early recognized that certain lines of argument had been found by experience to be generally effective. No man can sell to every one, but the average man, using the arguments and the methods of the best men, can do more business than if left entirely to his own devices.

It is this realization upon the part of some great enterprises that selling is much like teaching; that advertising is a blood brother to selling, that has caused them to realize that they are both in a way nothing but teaching people what *you* know, and to want what *you* have and to buy what *you* sell.

The Best Selling Arguments

If this is true; if the most conspicuous selling methods in the country are those that bring into the organization the best methods, the best selling arguments, the most enthusiasm, by persistent and consistent methods of teaching and training, then there seems to be no reason why the large banks, or the small ones for that matter, that desire to produce the greatest efficiency; that desire to obtain from all of their employees the concentration of brain power, of energy, of desire to accomplish that result from such training, should not be able to work out a plan by which they can develop in the minds of all their people that distinct individuality for which each institution must stand, and those best business methods which produce the greatest net results.

Probably one of the most successful business houses in the country is Marshall Field & Co., of Chicago, quoted the world over for its effective organization. This organization hasn't been accomplished by chance, but the people have been taught—they have been taught what

to do and how to do it under differing conditions, so that the entire organization is brought up to a certain plane of efficiency, from which no employee is permitted to fall if he stays in the organization.

A set of laws that make up a book of one hundred pages is placed in the hands of each employee. Each employee may see the things he may or may not do, can know what rules the house considers essential to his success.

Let Every Employee Help

Let every employee of the bank know what the bank is saying to the public, and let the bank impress upon its employees that it will appreciate any suggestions to be gleaned from the men who come in contact with the public; that these suggestions be dropped in a suggestion box, signed by the employee, and have these suggestions taken out and duly tabulated by one of the officers of the bank or by some one who can, in an unprejudiced way, consider each idea on its merits.

The tellers, who come in daily contact with customers, hear comments, suggestions and ideas in their talk that would be almost invaluable to the man who has charge of the advertising of any bank in the country.

All of these suggestions, unless the work is properly systematized, go to waste, and the bank is loser by just so much.

Some of these rules I have reprinted here because they are business keeping rules for any bank. These have been altered to suit a bank and show how well the same general principles may be applied to banking conditions—the constant impressing upon the employee that his particular duty is important enough to have the constant, watchful eye of a superior upon him, the impressing upon him that just in proportion as he needs to be watched and superintended so his value to the bank is lessened, and his chance for better pay decreased.

Just in proportion as an employee is liked by a customer, just in proportion as he helps the customer, he helps to keep business for his bank, and therefore becomes of more importance to the bank.

The Employee Must Know

Every employee in an organization should be thoroughly familiar with the bank's system of handling its business. Every large bank could well afford to issue a pamphlet thoroughly covering the methods of handling its daily business. In this way an opportunity is offered to all employees to familiarize themselves with every department, so that a rush in one department can be quickly strengthened by the transfer of men from a department having less to do. While all employees should realize the importance of doing their own particular work the best they

know how, they have a larger interest, in the opportunity of co-operation, which is a vital necessity in any bank organization, and this spreads and deepens, because every man, to a certain extent at least, understands the difficulties of every one else.

Some Rules of Conduct

Become familiar with our system of doing business, such as handling checks, accounts, collections, etc.

Become thoroughly informed regarding the work at which you are placed. Learn the names of the customers, where they are in business, their qualities, their standing, character, and value to this bank.

Learn from the Manager of your department, or his assistant, what is expected of you, and, as quickly as possible, make your actions correspond with these duties.

Do not hesitate to ask for information upon any point of business which requires explanation, either of the Manager, his assistant, the Cashier, the President.

There can be no excuse for errors except incapacity or inattention.

The strictest propriety and greatest courtesy are rigorously required under all circumstances and upon all matters, whether customers wish to do business, or have finished and request the final care of some detail; whether to ask for change or return the same for larger bills; to inform themselves regarding a bond for sale, or simply to visit the bank. Any negligence in manner or in speech will be immediately reprimanded, and repetitions of the offense will result in dismissal.

We must have the best efforts of our people and others toward removing from the minds of all any feeling that our employees are sometimes independent, indifferent and lacking in intelligent attention. Attention consists of good manners carefully directed to satisfy customers' wishes. It means answering questions politely; introducing them in a gentlemanly or ladylike manner; interesting customers. Whether it is to receive a deposit or to deny the privileges; whether the customers are acquaintances or strangers; whether richly dressed or poorly dressed—absolutely no difference must be shown, so that the impression will always be a pleasant one.

We usually get the best employees from those who are brought up in this bank, and it should be more and more the effort of all to secure and grow up boys into junior clerks, and higher positions. We take great pleasure in seeing a bright young person grow into a splendid employee, and wish every one to recognize this as a general policy of the bank.

It is the duty of every manager to see that his department is properly and satisfactorily manned during every moment of the day. At the tap of the bell in the morning, those customers who may be down at that hour should have the most careful attention possible. At the hour for luncheon care must be exercised to avoid allowing too many to be absent at one time. Those who may come to the bank at closing time, or just before, should be handled very courteously. The doors are closed promptly and customers are not admitted after the closing bell, consequently there is no probability of delays amounting in any way to hardship.

We wish to emphasize to Managers the great desirability of watching or having watched, the details in every single line of work under their supervision. It is easy to allow work to be held up, and such may seem, in a general way, to be of small importance, but it is to the customer, who wants just that thing, of great importance, and either leaves in the mind of the customer a feeling of satisfaction or dissatisfaction, depending upon whether the work merits some plan or not.

Some Rules of Conduct

While most of the correspondence of the bank is carried on through the Correspondence Department, it occasionally happens that some Manager, for some special reason, finds it necessary to himself write.

All such letters should be signed,

"First National Bank of Istown, per (or by) ....."

and in the blank should be filled the name of the writer of the letter.

Customers complaining of inattention or lack of courtesy on the part of employees will be referred to the Chief Clerk who will investigate the matter at once. If the Chief Clerk finds it impossible to immediately satisfy the customer, he will inform the Cashier, and never allow the customer to leave the bank dissatisfied with treatment received.

It is desirable that the floor officer, instead of pointing to a department accompany the inquiring customer to such department (when the same be not too distant). The officer is conferring no favor upon the customer in directing him to some department, or in granting any reasonable request. Instead, the customer is conferring a favor upon us in allowing him to act as above, and the officer, in carefully carrying out this thought, adds to the dignity and value of his position.

This bank is daily visited by strangers from other cities and from smaller towns. It is our desire that these strangers be made to feel as much at home as possible, and we therefore ask that the officer endeavor, especially, to be on the watch and pay them careful attention. It frequently occurs that strangers would be pleased to be shown through the bank, and that they are, perhaps, desirous of doing business in the lines in which we are engaged. Please let these strangers have special attention.

There may be times when employees require a word of reprimand from a Manager, but this can be attended to with better results if done after the departure of the customer. Harsh words are seldom necessary, and should never be used in the presence of customers. Such treatment humiliates the employee and reflects no credit to the bank.

Respectable and moral associations outside of business are expected of every employee. The visiting of gambling houses, whether through curiosity or with the intention of playing, must be avoided. Any employee who frequents such places or indulges in betting on horse races, ball games, or anything of the sort, is subject to immediate dismissal.

Be cleanly and neat in appearance avoiding extravagance and display. All young men will please dress in black, exception being made in the use of white or colored neck scarfs, if desired, which we will ask always to be held at the point of good taste. During the period when negligee shirts are worn (from about the first of April until about the fifteenth of October) we shall not object to employees wearing neat negligee shirts without waistcoats.

It is requested that employees use the word "madam" instead of "lady" in addressing women who visit the bank, when not familiar with the visitor's name.

Employees will use dignity, respect and care in addressing each other while on duty. A careless word or an act of familiarity may, in the mind of some passing customer, cause a reflection to the discredit of those who are responsible for the same, or allow customers to wrongfully interpret words or gestures; and this we wish to avoid. We desire also that, as far as possible, the prefixes "Mrs." "Miss," and "Mr." be used in cases warranting same.

Avoid gossiping and do not allow your friends to consume your time by visiting with you. Do not indulge in loud conversation, especially when in the elevators, when upon opposite sides of an aisle, or at a distance from each other. For employees to go about the bank arm in arm, blocks the aisles, and is not business-like in appearance, and can not be permitted. Whistling, singing or humming while in the bank must be avoided.

Some Rules of Conduct

Do not use gum, or tobacco, or eat candy, fruits, nuts or lunch of any kind while on duty. We shall immediately dismiss any in this bank who in any way disregard this rule.

Employees will have patience in serving customers, answering questions willingly and pleasantly.

See that every customer in every transaction is treated in a manner indicating that that immediate transaction is the chief point of interest in your mind at the time. In other words, give direct, careful and individual attention to every transaction.

Managers, their assistants, floor officer, and all in positions of authority, are expected to bring to the immediate attention of the cashier any and all cases when the thought of courteous treatment to all is being disregarded—through carelessness, through ill temper, through ignorance of the requirements of our rules, or for any other reason. The cashier is the one to decide how finally to treat these cases, and there must be no failure on the part of those in authority to notify him as above.

We receive visits from many out-of-town people, and the impression which is made upon them by a few moments' interview with our employees remains forever in their minds. If employees are courteous and polite, the impression is good; if too short with answers or other than very attentive in actions, the impression is bad. We are very desirous that visitors from out of town be allowed to see that we understand how to do business correctly, and this effect can only be had when every employee treats every visitor with careful consideration.

It is the wish and purpose of the bank that no employee, no matter how unimportant his position may be, shall be forgotten or lost sight of, but that instead every one whose name is on the pay-roll shall be recognized as a part of this institution, and that his individual efforts shall be carefully and frequently considered by the one above in authority.

It has been an unwritten but well understood rule for years, that an employee is always at liberty to call the Cashier's personal attention to his work, to his remuneration, to his desire and ability to perform a higher grade of work and occupy a higher position, and that any act of this kind shall under no circumstance be to his prejudice.

More and more we want intelligent, loyal, happy, progressive employees. We propose that this bank shall be even more than ever a field for employment in which "merit will win," and we desire that the possible careless, temporary overlooking of any employee shall never prevent that man or lad, from obtaining the fair recognition which has been earned.

This same spirit of "do unto others as you would have others do unto you," is shown by a great majority of the employees in their feelings towards the bank, and we wish with the constant development of this business, that the delightful spirit between the bank and its employees shall become stronger and stronger.

Let, therefore, no one who feels forgotten or overlooked, ever hesitate to call the personal attention of the Cashier to that fact, and he may be sure the matter will be carefully investigated.

Indifference is not in the slightest degree to be permitted. Indifference on the part of employees is a very serious blight in any business, and we wish it understood that this bank considers anything of the kind a sufficient cause for instant dismissal. Let all officers keep close watch to discover any instance of indifference, and check it immediately. If calling the attention of the employee is not sufficient to show what is required, let the employee be sent at once to the Cashier with an explanation, and a dismissal will follow.

Employees must be alert and under no circumstances allow any of their actions to be such that customers can interpret them to be actions of indifference. They will always endeavor to serve customers immediately as they approach their departments, and not wait to be asked either by customers or officers; and, when all employees are necessarily busy, the one nearest the customer will ask to be excused for the moment, and will request the customer to be seated, assuring him that he will be cared for within a moment or two.

Some Rules of Conduct

We must caution our employees against any word or action which would indicate that they were taking on a little of that very disastrous disease called "the big head," and while we apologize for the use of this slang expression, it describes exactly the condition which we wish avoided. That the bank is as it is, gives us no occasion to assume any feeling of self-importance in the business world, and we must treat customers with the same careful, attentive and interested effort which has thus far succeeded in making this bank popular.

Please refrain, in every way, from doing that which would lead our customers to think that our employees are "puffed up" with their own importance, and always conduct yourselves in the way in which you would like to see employees conduct themselves were you the customers and they the employees.

One of the most attractive features in an employee is that which indicates happiness in what he is doing. Many people in this bank have become well known throughout the city because of their pleasant manners, special ability, or other qualities, and employees still further create character for themselves who can impress customers with their enjoyment in the work upon all occasions.

It is impossible to conduct a large business like this and not trust a large number of people. Every one in this house is in a position of more or less trust, and owes to himself and to his employers a faithfulness to that trust. To fail in that trust, and to be detected (and detection almost always follows) is to pay an awful price for a very small thing. One's good name, reputation, confidence of friends and endorsers; one's feeling of strength in himself—all go when one proves faithless to that trust. We mention this as a warning to any possible offenders, and we very much hope if there are any in this bank who at this moment are so far forgetting themselves as to take that which does not belong to them, that they will instantly determine that such wrongdoing is worse than madness, and will never do it again.

CHAPTER XXIV

THE ADVERTISING MANAGER

TEN YEARS AGO IN A NEW YORK BANK—WHY THE ADVERTISING MANAGER IS DIFFERENT—THE OLD WAY OF HANDLING THE ADVERTISING—THE ENTRANCE OF BUSINESS MEN INTO BANKING—HE MAY NOT WRITE A LINE OF COPY, LAY OUT A SINGLE PIECE OF PRINTING, YET BE AN ADVERTISING MANAGER—WHAT HE MUST BE ABLE TO SEE—WHERE FAR SIGHT IS NECESSARY—ANALYZING A BANK'S PROPOSITION—HOW THE ADVERTISING MANAGER GOES ABOUT IT—HE MUST BE MORE THAN A WRITER—ENTHUSIASM NECESSARY TO HIS SUCCESS—PROOF OF ITS VALUE —CONTRAST HIM WITH THE OTHER TYPE OF MAN WHO "RUNS" THE BANK—EXPERIENCE IS HIS CHIEF STOCK IN TRADE—THE EXCHANGE OF EXPERIENCES—ADVERTISING CLUBS AND THEIR VALUE—LEVELING INFLUENCE—AN ADVERTISING MANAGER IS NEVER BETTER THAN HIS EMPLOYER—THE PHENOMONON OF HAVING EXPERIENCE AND ABILITY DOMINATED BY IGNORANCE AND FAILURE—GILLAM'S KNOWLEDGE OF TYPES SAVED $15,000 A YEAR—TECHNICAL PROFIENCY ESSENTIAL—WHAT DO YOU KNOW ABOUT DRAWINGS FOR INSTANCE?—WHY IT DOES NOT PAY TO KNOW THESE THINGS WELL ENOUGH TO BE SAFE—THE ABSURDITY OF BUYING WHAT YOU LIKE—CERTAINTY OF DEFINITE IDEAS—TACT AND DIPLOMACY—THE THINGS ANY ADVERTISING MANAGER MUST KNOW—A TYPICAL DAY IN THE LIFE OF A MANAGER OF A LARGE BANKING HOUSE—HIS PROFESSION

An Experience of Ten Years Ago

TEN YEARS AGO a man entered a large bank in the city of New York, an applicant for a position. In the course of an hour, the president, a gentleman of nearly fifty years, received him, standing. The several brief letters of introduction were carefully read.

"Well, sir," said the president in his crispest tone, "what experience have you had in banking."

"None."

"You are a man of twenty-five, hence I assume you do not wish to start at the bottom of the ladder. What, then, is your idea of a position with us?"

"Advertising manager."

"But, my dear young man, we do not sell calico!" said the great man in an injured and expostulating tone.

"You sell credit."

Silence for the time it would take for the clock to tick fifteeen seconds, "We couldn't think of such a thing," said the president, with finality, as he gathered up the papers he had been considering.

"May I presume that my letters entitle me to ten minutes of your time?"

An Experience of Ten Years Ago

"Certainly, but it is quite useless to waste it in discussing such a proposition. It is too far from our conception of what a financial institution can do with self respect and consideration for its stockholders."

"I wish to lay my proposition before you, however, because I am young enough to be warranted in believing that I shall one day see your institution a national advertiser. It is inevitable. I shall not ask you to believe that now, but only to remember it at some future day."

The ten minutes were given to a rapid-fire of facts and figures and a final summing up. The interview was ended and the young man left never to enter that bank again.

Today that bank pays an advertising manager more money per year than it then spent for all its advertising in the New York dailies.

The young man was about six years ahead of the far-seeing financier.

It may be asked, "Why should you give a chapter to talking of the advertising manager, any more than you would devote space to the description of a bank president?

Because advertising men, particularly successful advertising men, are different.

They are different because the successful accomplishment of their task requires them to be different. In what way must have appeared.

In the van of all successful advertising has come the advertising manager.

The *average* bank does not have and does not need, an advertising manager.

The Old-Time Method

The old way is to let the cashier hand a few yearly contracts to banking publications that promise good reading notices; contracts for regularly inserting the "card" and the statement whenever called for, to the local newspaper, and then appropriating a little money for "contingencies," which means "puffs" in the trade and special editions, cards in the charity programs and a few other charity schemes of a like character.

This old-style type knows nothing of advertising as practiced by business men, and of course the official who distributes the yearly allotment of money, has no cause to know anything about advertising.

The entrance of the business man into banking has brought about a different condition. The advertising instinct of this type brushed aside the ethics born of ignorance and self-satisfaction, and he has commenced to talk to the public.

A few years' experience with printers' ink has brought a lot of bankers to a partial realization of their ignorance of the fine points in the art and science of advertising.

The Manager Who Does Not Write

The advertising manager may not write a single advertisement for his bank: he may not select the mediums in which his bank advertises: he may not lay out a booklet or a folder, or a street car card, yet he may be in the fullest sense the advertising manager.

The advertising manager on the other hand may do all of the above, but he must do what is much more important, he must be able to analyze the exact condition, environment, prospects and field of the institution he is about to advertise, and lay out a plan of campaign calculated and able to realize the most complete possible returns for the expenditure he may be empowered to make.

That such men are very scarce in banks where the salaries are small, goes without saying; but the demand will soon come with a greater, a more definite realization of what financial advertising really means in its possibilities, from its comparatively small realizations.

The master mind at advertising is he who can plan for the future, who can see things in the embryo, the chicken in the egg, who is sensitive to currents of public thought and feeling, and who can arrange his copy, his pictures, his type, his media, his letters, and arrange the strategy of his campaign so as to meet these conditions and remain master of them all. He never lets his public get away from him, but makes it follow him; his advertising of his particular institution will always stand above the work of his competitors.

He never, however, forgets that his house and not he are the beneficiaries of his work. He has individuality, but it is expressed as a part, natural, and maybe subtle, of the concern he advertises.

He Knows How

In short the advertising manager has the capacity to interest and persuade the public, which belongs to all editorial minds of the first importance, plus a capacity to keep close to the results side of his work.

The fundamental quality, therefore, of his equipment is, that knowledge of human nature without which all else is mere technical proficiency.

His Attitude of Mind is Different

Just as quickly as he analyzes the bank on the public-interest side; just as soon as he grasps what it has to offer the public, the advertising man sees that institution's public. He studies, if he does not already know, that public, its whims, prejudices, caprices, fads, foibles and its intellectual standards. He understands what that public wants to know, and his mind leaps to the problem of meeting and answering its unuttered and maybe, unconscious questions. His attitude towards his subject is the public attitude, and it is just here where so many financiers cannot understand advertising. They cannot understand the advertising man's constant seeking for opportunities to give explicit news about the concern and its work.

Of course the manager holds much back that could be said, but he feels that natural inclination of enthusiasm to take the public in and show it freely and fully the wonderful things he feels it will be glad to know, and that he knows will profit his bank.

He is never satisfied.

He rarely has an inspiration, because his good ideas are too often linked with more or less remote suggestions, the product of unvalued analysis.

He analyzes and classifies in his mind what the bank is—its true character and its repute in the minds of the people, and he seeks that safety where the two are in harmony.

He then decides what business he wants, finds out what class of people has it, and plans to get it.

What's the Use?

Right here he frequently sees little things in the methods of the bank, the attitude of employees, that will, if slighty changed, be beneficial. He makes suggestions which are too often received with criticisms and a patient air of resentment.

But that is the advertising manager's job—to voice public sentiment and criticism inside the bank, and the bank's sentiment to the public. If he doesn't have this privilege, he might as well be put off in a corner and never come into the bank at all. He should certainly guide those features which affect the public opinion toward a bank, so far as the public is concerned.

If the advertising manager is to be worth anything at all, he must be permitted to get up steam, enthusiasm.

The Difficulty in Selection

It is difficult to find in one man hardheadedness and enthusiasm. As another writer has said, "It is not often that a sanguine temperament, vivid imagination, great creative power, and the other qualities which go more or less with the equipment of a genius, are joined to a cold, shrewd, calculating, business-like character, yet the ideal advertising man is a combination of all these qualities."

What is enthusiasm? It is the active militant belief in the eternal rightness of what you have to sell.

Whenever you see a man who is the center of influence, who dominates men and measures as a Roosevelt, who has followers and disciples as a Lawson, who makes nations as a Bismarck, who creates cities in the waste spots as Peter the Great, or who digs canals as De Lesseps, who builds railroads as Jim Hill, you will find an enthusiast who, amid laughter and jeering, and the sneers of pessimism, the smooth cunning of trained objectors, and the clatter of tongues in empty heads, believed and worked and held his faith in the eternal rightness of what he had given his hand and mind to do, and the contagion of his enthusiasm swept opposition into discipleship.

The Thing He Can Enthuse Over

Even if the conditions surrounding an advertising manager be such that he cannot be enthusiastic for the concern for which he happens to work, he can at least be enthusiastic for the way he can do his work.

Experience has proved beyond the shadow of a doubt that success in advertising is due less to literary ability, and fine culture, than to knowledge of the world linked with enthusiasm and zealous energy.

Enthusiasm brings out the full power of a man and hitches it to the machinery that grinds out success. "The advertising manager," said another, "who is content to do less than his best—his level, thorough, utmost best—in the work that so intimately engages his reputation, his future and success, is neither shrewd nor dependable. For him to do his work half-heartedly, is but to add to the general sum of advertising failure."

Principal Characteristic

This phase of the advertising manager's character is dwelt upon here for several reasons. It is one of the principle requisites that the officer of a bank must consider in the work a manager is to do, and one of the principal characteristics he must study in the applicant for any advertising position.

The cool, calm, self-centered business man may manage a bank with acumen and good judgment; he may foretell to the last per cent.

the profits in a deal; he may direct the strategy of high finance, but these attributes alone will not give him that hold upon the public which will stand him in better stead in times of stress, than the tricky confidence of competitors.

The Banker's Opportunity

The banker who can hire this knowledge of human nature, the enthusiasm for him and his projects, and the technical capacity of the trained advertising man, and hitch this ability and capacity to his own, has the power to lead the public almost where he will.

In the minds of too many financial managers, advertising is still a gamble in which their guess is as good as another's.

It will require much self-assurance upon the part of a lawyer to claim that he can win any given case, no matter what his previous successes may have been. Every doctor who enters upon a new operation for appendicitis, knows that this may be the one that he will lose. Therefore, every advertising campaign is of a necessity, to a greater or less extent, experimental. Every advertising manager knows, no matter how many successes he has had, that this new work *may* be a failure.

His Chief Stock in Trade

Experience, however, is his chief stock in trade, just as it is with any professional man dealing in a science that is yet in practice an art. The experienced manager eliminates many uncertainties and for this reason he is worth more than the man who knows nothing of the uncertainties.

There are two attitudes, either of which the advertising banker generally assumes.

First: He is likely to get a competent man who thoroughly understands the work, and then refuses to let the man have sufficient scope. This attitude is exactly paralleled by the patient who employs a physician, quarrels with the diagnosis and refuses to take the medicine prescribed.

Incompetence is Never Cheap

Second: He will hire an incompetent man, because he can get him for a small salary—thereby risking less, as he thinks—because the incompetent man, gladly shirking responsibility, will do all that the advertiser asks him to do, and the advertising is run in a manner to result in almost inevitable disaster.

If the idea that is still uppermost in the inexperienced advertiser's mind, that advertising is a gamble, could be eliminated, these two conditions would, to a certain extent, rectify themselves.

Twenty years ago advertising was more of a gamble than it is today, and the assertion is ventured that the element of chance has been eliminated through the advertising manager more than through the advertiser.

What Advertising Clubs Do

The organization of advertising clubs is, to a very large extent, assisting this work. It has been thought by advertisers that their particular method of handling a proposition was exclusively their own. They imagined, with the satisfaction of the hermit, that their particular little world was the entire universe, and their particular way of doing things was entirely different from the way of doing things in any other sphere.

As advertisers have met each other, compared methods, plans and results, they have commenced to see that their ways of doing things were much the same as other men's ways. They have commenced to see that the plans they thought were exclusive, were in common use by many, and that the "special rates" they were paying were sometimes much higher than those paid by their neighbors. They now understand that there is a certain community of interest dominating all advertising. In other words, there is more to be obtained by getting together and exchanging ideas and experiences, learning the common "rules of the game," the science, if you please, than in shutting themselves up separately and working out their individual destinies alone.

What He Believes

Far from being a game of chance, we are now seeing certain very well defined principles and laws that govern advertising success; that all advertising successes proceed along certain lines of development; that advertising grows out of the selling conditions of a territory; that advertising isn't a thing apart from all of the rest of the business, but that it is the voice of the business speaking through certain agencies to the commercial instinct of the people.

We have commenced to realize that there are certain men who, by temperament, character, education and experience, are better fitted to handle the problems of advertising than others.

Lost Its Mystery

If this exchange of opinions and this opening of minds towards a better understanding of advertising has done nothing else, it has done one great thing; i. e., eliminated the idea that a mere ability to write a clever or striking sentence, was by any means the sole ability required of an advertising manager. The profession of advertising has lost some of its mystery, but it has widened its influence.

As the requirements of successful advertising become better appreciated, the really capable men in the profession will rise to better remu-

neration and a higher standing, with the consequence that advertising will be done better, its results will be more definite and its work more effective.

Paying for Experience

In any line of advertising development, such as financial, the danger lies in paying incompetency a small salary in order to reduce the amount of money involved in a possible failure, and taking the experience thus gained as a criterion for future advertising plans.

Equally bad is that other method of having experience and ability dominated by ignorance or lack of experience. As has been pointed out before, the successful advertising manager is a man who has done things, accomplished results and produced profits. These men are easy to find, because they are advertised by the work they do, they command only what they are worth, and any concern desiring to do advertising should certainly look for the man whose career has demonstrated his ability, especially when it first enters the advertising field.

The advertising manager with ability can more than save his salary, when it is at least 15 per cent. of the total appropriation.

What Gillam Did

An example of experience in a different line will show what a little technical knowledge on the part of a manager has been able to do. The story is told of Mr. M. M. Gillam, who had been advertising manager for John Wanamaker in Philadelphia, for a number of years, and went at a very high remuneration, as advertising manager to the old firm of Hilton, Hughes & Co., of New York. Mr. Gillam found that the firm had been using space for years in all the leading New York newspapers. The advertisement was badly displayed and he gave that matter his first consideration. He found that the letter "G" in Hughes, in the designed heading, took up five lines of advertising space across the space. By bending up the tail of the "g" until it ran close under the letters "H" and "u" in the word "Hughes," he saved these five lines, and it was figured after, that just that one thing saved nearly $15,000 a year, without diminishing the space devoted to advertising.

Technical Knowledge Pays

This one piece of work, the result of experience and technical efficiency, nearly paid his entire salary for twelve months, and the story is cited here to show what practical value lies in technical efficiency in the advertising business.

I may have made it quite plain in the chapters on illustrating, engraving and printing, that technical proficiency in these things is almost a necessity in any intelligent handling of an advertising campaign,

yet the ignorance of these things by even the more pretentious advertisers and managers will sometimes pass belief.

As another has said, and using his thought, if not his words:

What Do You Know?

What do you know about drawing? You buy drawings to produce results, yet what do you know? Are they well done? Are they good drawings?

Can they be reproduced by any known process so as to approximate the effect shown you? Can you reproduce the effect of the drawings by the process you will have to use on the paper you have decided to use?

I have known advertisers who didn't know that a 200-line screen half-tone could not be reproduced on book paper.

That an electro of four square inches could not be made from a cut of eight square inches.

That printing in colors requires extra printing blocks.

That there is any difference between wood and zinc—that lithography is any different from half-tone—that there is a difference between the printing qualities of paper and finishes.

Some will say, "Impossible!" I know differently—there are thousands who are buying impotent printing because they are ignorant of these simple, every-day things.

Knowing Something of Art

The advertiser must know when an artist has illustrated the point. Some are absolutely incapable of judging this, just as some are color blind. They can't tell a light blue from a green to save their souls.

Here is where most of the difficulties in making illustrations arise—because the advertiser is absolutely ignorant of art and the way to judge an illustration.

First there are certain limitations on a picture in illustrating a thing which I brought out in my chapter on attracting the attention.

The advertiser wants too much, and he doesn't know when he has received all he can safely require.

It is weakness to load up an illustration with detail.

A man selected to illustrate a booklet should be educated in the thing he is attempting to illustrate.

He should have a knowledge of his subject—a sympathy with its human nature side, and a grasp of its utility that will make it successful.

When He Knows

When the buyer of illustrations considers that he may be totally deficient in the knowledge of drawing, that he may have the drawing spoiled by cheap engraving, and further ruined by bad printing, he will commence to see why he should know something about drawing, engraving and printing.

No advertiser can understand these things sufficiently well to be safe, unless he gives more time to them than the importance of his advertising will warrant. Therefore, he pays for the knowledge and goes where he will get technical efficiency and advertising common sense.

He Needs Sympathy

Probably the most important thing in the relation of an advertising manager to a concern is a sympathy that is mutual between the man with whom he works and himself. They should have like ideals with respect to the advertising and the bank's service toward the public.

The banker should realize that the advertising manager is a man of brains and business capacity. If, in point of fact he isn't, the banker is making a bad investment and should blame himself and not the manager.

The broad man of affairs understands that many men of many minds make up the world; that the art of success is not sold in packages; that it only seems as changeable as the mind of a fickle woman; that it is human nature.

Why He Stands Alone

The broad gauged business man realizes that in the conduct of a big business he must have many different kinds of men. His sales manager is a different type of man from his chief accountant, his factory manager from his cost keeper, his salesmen differ in kind from even his sales manager. He realizes that his advertising manager has a different viewpoint than even his sales manager; that while they meet in common accord with respect to the plans for more business, they express it differently and they have a different method of getting at the same thing.

The broader man understands that a higher law than his own made men different, and as they are different, it requires different methods, different means to bring out the best in them. Any banker who keeps his advertising on the level of his own likes and dislikes, mental and moral conceptions, and "what appeals to him," limits the appeal and the effectiveness of the advertising to the people who feel and act and see things as he does.

This attitude is narrow, unnecessary, egotistical, and is so far removed from the known conditions that govern advertising success that it is foolish and unbusinesslike.

The banker should be able to show the advertising manager the certain definite principles on which he wishes the business developed. He must lay out the lines, beyond which he does not wish to go. Let there be thorough understanding in the very beginning.

He Should Know What He Works For

It is presumed that a banker who knows his business sufficiently to be a success, and assuredly sufficiently well to do advertising, knows what he wants to accomplish. He should have certain definite ideas in his mind of people he wants to reach and the kind of business he wants to handle. He should therefore, as a preliminary to everything else, have a definite, clear-cut understanding with his advertising manager of what these conditions and these principles are. Having that, the advertising manager is in a position to lay out a comprehensive campaign to accomplish the desired result.

No advertising manager worthy of the name can, or will, sit down on the other side of a desk thirty minutes after he has been introduced to a business, and tell how to advertise a bank. He takes time for investigation, for the study of environment, for understanding the bank's people, and above everything else, for getting from the officials what they want done.

The first thing the advertising manager wishes to fix when he enters the employ of a bank, is the man to whom he must refer his work.

The most difficult thing for the advertising manager to overcome is the criticism and interference of the ignoramus. There can be no objection to the ignoramus, if he would only preserve that one decency of ignorance, a quiet tongue.

Too Much Tact

Tact and diplomacy are required in an advertising manager. But I have seen it greatly overdone.

On the other hand I have known men who had the reputation for being brusque and blunt and frank, yet they had the diplomacy that got them what they set their hearts on. The more I have seen of the kind of tact and diplomacy that gets a man a reputation for being "tactful and diplomatic," the more I am convinced that, like a reputation for cleverness, it is a thing to be shunned.

I never saw real tears shed for a smooth man, did you?

The one-man policy of management will make a fairly capable man do better work.

Spoiling the Broth

Just as five cooks will spoil the best brew of broth, so half a dozen critics of an advertisement will knock the eternal life out of any advertisement of individuality, of faith, of enthusiasm and salesmanship. No business man would think of sending six salesmen to sell a bill of goods to a firm, so no advertiser should think for a moment of taking an advertisement and trying to concentrate six or seven different individualites into that printed salesmanship, with any hope that it will be strengthened.

Just as all the colors of the solar spectrum, when reproduced one with another, will produce white—which in itself conveys no idea of color—so a half-dozen individualities rolled into one advertisement, produce a colorless appeal that is really no advertisement at all.

Another Type

There is the other type of advertising manager who writes all the advertisements, makes all the contracts, gets out all the printing, runs the supply department, answers all the inquiries resulting from advertising, sends out the follow-up, and in fact, attends to all the details with the assistance of the young lady stenographer and the office boy.

This manager is the average type of today, receiving from $750 to $1,500 a year, and will probably come in increasing numbers as financial advertising increases. He tries to do too much, largely because he has to, and it is because of an overweight of details that so many bank advertising campaigns lack in proper proportion, comprehensiveness and character, and are so poorly done.

In order to know exactly what an advertising manager is, let us see what he should control and give some reasons why, as we proceed:

What He Tries to Do

The Selection of Mediums: Because he knows what people he wants to reach and what publications reach these people. If the management have any publications they want to use, "for business reasons," such publications should be charged to the "charities account."

The Handling of All Printing Orders: The manager probably knows more about printing than any one in the institution, and is in a better position to get right prices, right service and right effects than the man who buys the desks and the ink. Printing should include all printing that gets to the public in any form. The bank's printing is advertising just as much as is its building.

His Duties

The Preparation of All Copy for All Advertising, Announcements, Statements, Etc.: All this matter can be given an effective advertising turn in phrasing and dress.

No Interview or Statement Should Be Given Out Without His Knowledge: An interview with the president of the bank may directly contradict the statement of a circular letter or a newspaper advertisement. On the other hand, the newspaper and magazine space and the circular letters might be used to advantage in backing up the ideas or statements in the interviews.

Keep Him in Touch With the Policy of the Institution: He and the cashier should work together in constant and congenial accord, because they represent the selling department of the institution.

Control of the Supplies of Printing and Advertising: In order that he may not be hampered by the lack of co-operation between his desk and supplies.

Control of the Incoming Inquiries and the Outgoing Advertising: This is essential to the successful pursuit of his plan of campaign. He must know what the people are writing about, what they say, how they say it, thereby accurately estimating if the advertising is having the exact effect he is aiming to produce. He must know how these inquiries are being treated and be able to change the treatment as the record of tangible results shows is necessary.

Control All Special Distributions, the Purchase of Novelties and Their Uses: These things are a part of his campaign and he must stand or fall on the measure of success of his work. Therefore, he should know what he is doing and dictate how it is done.

Access to the Controlling Spirit of the Bank and Have the Full Confidence of His Employers: He must at all times talk "by the card." This is a day of confidences. People demand a ground for the confidence you ask them to extend. You must grant them facts and figures and you must make them read what you offer. The advertising manager must live and plan and execute close to the heart of a business before he can be expected, nay, before it is possible for him, to reflect the business exactly as it is.

What He Must Do

As we have seen what the advertising manager must control in order to be able to organize a campaign, in order to put forth the full power of the organization and capital back of him, to compel and hold public attention, let us now look at what he does with all this power.

He plans his campaign. That approved, with its expenditures, he proceeds to execute.

He Commands Help

If the campaign is a large one for a large banking concern spending thousands of dollars, he will probably call on artists and printers and writers to execute booklets which are to receive wide circulation at certain stages of the campaign.

He calls on advertising agencies and publications for rates on advertising in a certain list of magazines for his mail order work, going over a list for two or more years, and finding what ones his competitors have been in for the greatest length of time. He studies his competitors' advertising.

He knows the public of the different national or sectional mediums. He sees what his competitors have said and claimed.

He decides to say what they could not or would not say.

If he has anything special to offer he studies it and works out his points on that special offering. Here is where frequent consultations with the cashier come in.

His Day's Work

In the meantime, too, he is organizing a supply department, installing a filing system, subscribing to a clipping bureau for articles and interviews on questions affecting banking. He is breaking in an assistant to look after the detail of these things, and to carry forward the plans for receiving, tabulating, and handling the inquiries and data.

He hears of a labor agitator over in the factory district who is telling the foreigners "the banks are robbing the poor, piling up big surpluses, profits from the money they are supposed to keep for you."

He writes an interview with "a prominent business man," who tells the plain people "a few plain truths" about how the banks keep the people's money, what they do to protect it in times of stress, how they make it possible for one dollar to do the work of ten—what would happen if every one held on to his dollar—and he sees that the newspaper with the largest following in the district, prints it. If it is "too crowded" it goes in some other paper, and arranges for the circulation department to send a few thousand copies into that district.

It May Seem Clap-Trap

The new advertising manager may give you "the creeps" right here. You do not seem to know that the very poor are generally very ignorant. You can not appeal to their reason, for they do not reason. The effective advertising is clap-trap, "hot-air," balderdash, anything

mean you may wish to call it, but the more sentimentally cheap it may be in appeal, the more likely it is to reach their intelligence, and obtain returns.

"Circus"—Yes

Study the methods of the circus, the cheap theatre, the cheap department store.

Study the principle on which their advertising is developed.

Don't be surprised if your advertising manager develops one line of copy, illustrations and type arrangement, for your commercial depositors and quite another for your savings bank work among the poor.

This helps to ease the situation.

In the meantime, however, booklets are being prepared on the different services offered by his institution. If it is a trust company as well as commercial and savings bank, there are booklets on Trusteeships, Real Estate, Savings, Safe Deposits, and probably a half dozen others.

Between times he receives the ever-present advertising solicitor who has his story to tell and will not be denied. The manager does not want to deny him, listens, weighs, bargains, and does business according to his plan.

He probably gets little chance to write his copy at the office, because the day is one of execution and interviewing.

Each Day

Each day his assistant lets him know what amount was let for contracts, and what balance of the appropriation remains unexpended.

In the morning he comes to his work with a lot of proof he has read in the quiet of his own home, to find that the president is very ill. He gets the newspapers on the 'phone and dictates a statement that will allay nervousness on the part of those who are interested in some of the president's outside interests. By this time he has decided what he will do with the magazine advertising, and lets his contract with an advertising agency of known standing and capable of giving him some help in his work of designing and arranging magazine copy.

The newspaper copy has already started, and the question of special distribution of circular matter and letters among the savings deposit lists must be settled.

This means getting the lists and preparing special letters. His campaign has already been mapped out, hence he knows to whom he wishes to go, and where they are. He goes over the territory some day after

banking hours, to "size it up" and decide on the best method of distribution; i. e., by mail or distributor, probably he decides in favor of Uncle Sam.

He Even Spends Car-Fare

He has to send out the monthly "reader" for the banking publication, submit to an interview the cashier is too busy to grant, on the sale of the municipal bonds, and find out why it is not possible to get a special water-marked brand of linen ledger stock in the city.

In the end this is but a part of his day's labors, for he is supposed to do something each day that will keep his institution fixed in the favorable regard of the people regardless of what its officers may be or do.

If a local paper should come out with an interview with the rival bank president on the state of local finances, or the crop report, he is to blame, even if the same paper the day before had twice as much and four times as effective an interview on a subject of much wider interest.

So much for the activity of the advertising manager in an institution whose appropriation and the magnitude of whose affairs seem to warrant the expense. That comparatively few financial concerns employ a man capable of handling such detail, or who has the initiative to conduct a work such as outlined, is admitted.

What is Ahead of You

It is described here more to show what is ahead of the financial advertiser whose campaign will be outlined and conducted on the lines of the successful advertiser in other lines of business.

The advertising man's attitude towards his work and his subject is another very important phase of this general topic.

The advertising man sells his ability, his experience and his enthusiasm as a commodity, just as the lawyer or doctor does his professional services.

The Aim

The "fundamental aim of advertising is to influence the minds of other people. The man who does that, although he be engaged in trade, raises the standard of what he is doing to the same lofty mental plane formerly occupied exclusively by the professions. The man who masters the power of advertising as applied to his own business must possess and exercise every quality that would make him a success as a professional man."*

Let us accept these things no longer questioned by those who have felt the power of the man who successfully wields the power of advertising.

*John Lee Mahin.

CHAPTER XXV

THE ADVERTISING SPECIALIST

WHAT AN OLD ADVERTISER SAID ABOUT THE FAILURE OF SOME ADVERTISERS AND THEIR ADVERTISING—THE PROFESSIONAL STANDING OF ADVERTISING—THE IGNORANT CLIENT AND HIS BULL-HEADEDNESS—EITHER TEACH OR BE CONTENT TO BE TAUGHT—MR. POWER'S REPLY TO JOHN WANAMAKER—WHAT THE SPECIALIST KNOWS AND WHY HE KNOWS HE KNOWS IT—TIME WASTED IN GETTING LEAVE TO DO THINGS—THE PAY OF SPECIALISTS—"WHAT HAS HE DONE" THE BEST TEST—WHAT THE SPECIALIST DOES, AND HOW—A BIT OF HISTORY—SOME THINGS HE HAS DONE WELL—THE GRAFTERS—WHY IT PAYS TO EMPLOY HIM—OTHER SPECIALISTS WHO SPECIALIZE ON PARTS OF ADVERTISING—THE PROFESSIONAL OUTSIDE EYE—WHAT HARVARD, WISCONSIN AND COLUMBIA ARE DOING TOWARDS MAKING ADVERTISING A PROFESSION

AT THE RISK of repetition I venture to quote from the words of one of the oldest and most successful advertisers of this country:

An Old and Successful Advertiser Says

It would be instructive and interesting to compute the loss to advertisers resulting from their disposition to insist upon dictating to advisers. The figures, if they could be compiled, would operate to increase the sum of modesty in many offices.

An advertiser ought to possess either faith or knowledge—faith in the party he selects to handle his advertising, or the requisite knowledge to instruct him. Some do; some do not. It is simply a question of money. Such as prefer to remunerate themselves for ill-judged interference with lessened advertising returns can, of course, afford to continue to direct where they do not know. Some advertising experts will not submit to dictation from advertisers against their interests; many so-called experts and many agents will. The business man who insists upon specifying some of the vital details of his advertising would not presume to thus dictate to his lawyer or his doctor, neither of whom practises a more exact profession than do advertising experts.

There is a large margin of unproductive money expended in advertising. In the light of the present position of advertising as a science and an art, and in the light of the number of available experts who are known to thoroughly understand the business, this margin of loss must be charged directly to the advertisers themselves. They should either know how or use their adviser's know-how.

I do not think I have been unusually autobiographical in what I have said about advertising managers or their work, but I am certain this question is of sufficiently general importance to warrant attention.

I have discussed this question with hundreds of advertising managers, who have, almost without exception, agreed on the one point; i. e., the difficulty of getting the advertiser to do the right thing at the right time.

In my youth I studied law and found the same principle of desire to follow their own ideas if it ruined the lawyer. Today I hear

doctors say the same thing. I venture that a very large percentage of medical cases, not necessarily fatal, are lost through the apparently inborn desire to do the things professional skill, experience and knowledge condemn as wrong.

On the other hand the successful advertising specialist is gaining in independence in these matters.

He will not suffer dictation on matters wherein he knows his way is best.

He cannot afford to do it.

If any campaign fails "it is the advertising man's fault."

If He Fails—Then

If it wins, at best, he is but the instrument of success.

After fifteen years of failure and some success, I know what I say is true, and if you ask any twenty advertising men who have had an average of ten years' experience, and now make over $6,000 a year apiece, they will tell you the same thing.

The banker must be prepared to be taught or to teach.

If the banker wants to learn his own lessons, pay for his own experience, he can buy a nice, tame, tabby-cat of a writer who, while somewhat run down at the heel and out at the elbows, will patiently write copy and try to "do the advertising," while the banker revels in the uncertainties of the game to his heart's content.

Any manager, however, who has a name to lose, will gladly obey the instructions of the banker who knows more than he. In fact, just in proportion as a manager refuses to permit interference with the vital principles of a campaign, you may estimate his knowledge, soundness of judgment and value.

It isn't pigheadedness, mulishness, or swell-headed vanity. It is just plain common sense. You cannot run a bank with a board of directors who don't know a good loan from a bad one.

What Powers Said to Wanamaker

Apropos, on one occasion, John E. Powers had taken occasion to tell John Wanamaker some brutally frank things about the great merchant's methods of advertising.

"You are the most impudent man I ever saw," hotly remarked Mr. Wanamaker.

"I am sure you didn't hire me for my manners," calmly replied Mr. Powers, and there was no more discussion on that point.

If you are a cashier with direction of the bookkeeping systems, how long would you stay if your board were to constantly change your methods, dictate your systems and pettifog over your details?

This principle doesn't touch the question of loyalty.

The advertising profession as a profession is made up of as loyal a class of men as ever blazed the way to a demand, or worked eighteen hours a day to make things "go." Such men must be loyal, they must believe in their employer and his proposition; because enthusiasm and fire and confidence are what they feed on; what their mental energies and fecundity must have as food and drink.

He Knows the Public Differently

They are generally, however, men who know the public in a different way from the way the banker knows it. The advertising man knows it off parade, in the quiet of the home, at the library table—human nature in the bare.

His duty, his mission, his necessity is to know these things.

He does know them.

Witness the increase of advertising, from millions to a billion, and the corresponding increase of advertising men.

Is it reasonable to suppose that if there were not something new, and odd and exceptional in this profession of advertising, that some men would be drawing salaries of $25,000 a year, and hundreds more $5,000 and better?

The average advertising man spends nearly all of the first year in laying plans and *getting his principals to adopt them.* Half or more of the time is wasted because of the arguments and proofs necessary to gain confidence.

This does not prevail in any other of the professions whose vital principles are no more fixed than those of advertising.

If you are going to spend $500, do it yourself, if you are going to spend $5,000, hire experience.

If You Are—

If you are going to spend $50,000 you can afford to spend $6,000 to $7,500 for an advertising manager and his department, who will save from twenty to fifty per cent. of your appropriation, because he will cut down the wastage of poor methods and ignorance.

He is a Sharpshooter

He is a sharpshooter; he knows all about the gun, the powder and shot, the range, the sights, the wind allowances and the target. Don't get excited if he stands up when you think he should lie down, or if he sits cross-legged when you think he should crawl sinuously on his belly.

It is his work.

Back him, swear by him and when he makes a bull's-eye, applaud him. You are coming in for some of the applause, too, for wasn't it your far-sighted acumen that picked this wonder out of the mass of applicants?

He knows when he has made a hit—he heard the bell ring, saw the flag wave.

You are not fooling him in the least by making remarks about "luck" and "good fortune." There are banks who would give $10,000 a year to a "lucky" business getter.

He Is No One's Fool

A man who can get business for a bank by the means of printers' ink is nobody's fool and don't let the idea possess you that because he does it "with mere words on paper," that he is to be classed with the other men of ink of your acquaintance.

If you think so, try one of them on the job and then come back after you have bought your experience.

Of course every man who calls himself an advertising expert isn't one.

As in anything else, "What has he done?" should solve the problem.

I am a believer in the man who has done things, as the man who will continue to do things.

A New Type

There is a type of advertising man who differs from the average advertising manager, who makes a business of advising with advertisers and advertising men, in laying plans, writing and designing advertising matter, and of rearranging plans already in process of execution. These men are free lances. They do not place advertising as an agent. They do not give one concern or its advertising, all of their time. They earn and command handsome fees. The average are idea men, scheme conjurers, who are better in the devising of striking, forceful and convincing copy and the arrangement of result-producing plans, than in the execution of them, lacking the patience for that attention to minute detail which is necessary to an economical and fruitful result.

How They Work

Others, by dividing their time among two or more advertisers procure much larger incomes than any one advertiser could afford to pay them, and leave details to assistants or the managers who give their exclusive attention to one concern.

Ten years ago few advertisers employed advertising managers, and the few were the large general advertisers and the department stores. The smaller advertisers using the general mediums, were satisfied with the services of the solicitors for advertising agencies. The small retail advertisers looked after the little which they did, with the assistance of a clerk or the printer, and the representative of the local newspaper.

The competition gradually forced a recognition of the value of good copy, and good copy did not, as it does not now, drip off the point of every man's pen. The smaller advertiser commenced to realize that he could not hope to compete with the larger rival in size of advertisements because that meant increase of expenditure in almost exact proportion to increased size of space used.

He commenced to pay something more for the brains that went into that space.

He Came of a Realization

He realized that it was attractive, interesting and convincing copy he needed and that it was just that kind he could not prepare.

During the middle of the '90s hundreds of young men who could write, and hundreds who thought they could write good copy, sprang up all over the country and "Printer's Ink," the weekly advertising publication, carried columns of their announcements, exploiting their talents in no uncertain manner. Thousands of advertisers answered these advertisements and got returns from their patronage according to their deserts. These ad-writers, advertising specialists, were, in the main, advertising men out of a job. It was during this period that the term "advertising expert" fell into disrepute and eventual disuse, because men bolstered up a little talent with a big title, as men have done before in all lines and walks of life.

A Natural Evolution

This was a natural evolution. Advertisers were not yet educated to the economy of an advertising manager, and sought to get the necessary talent at a cheap rate, thinking that it was a mere matter of a literary trick or turn of expression, that some men had and others did not. They did not see the relation of advertising to their business, but only its relation to all business. They thought Fate had endowed some men with the power to pull the public into stores, without relation to anything

that store was. Gradually, however, we note the disappearance of these "experts" and "specialists," and we find the best of them today holding positions of trust and influence with advertisers, with agencies, or conducting, in a few instances, agencies or businesses of their own.

He Has a Place

The advertising specialist is still a part of the profession. He has a place, and a very important place, in the advertising economy.

So long as the practice of the art of advertising shall call for a special experience and a special type of literary salesmanship, there will be men who, by nature and exceptional training and experience, will be able to be of a very practical benefit to their less talented and experienced brother or advertiser. Just as there are doctors who do little but consult with the busy general practitioners; just as there are lawyers who rarely enter a court room but counsel litigants and other lawyers; just as there are engineers whose chief work is the direction of great enterprises through other engineers, so there are advertising men who are most valuable to themselves and their profession through their ability to show advertising men and advertisers what is good or bad in plans or performances.

The principle on which the advertising specialist worked at first was wrong.

At First He Made Mistakes

He was too liable to make all his clients a reflection of himself; he substituted his own personality and view point for that of his client, although he studied to a greater or less degree the personality and character of his client and the latter's business.

But the advertising specialist tried to do too much, and did too little. As has been pointed out before in another chapter, every advertising proposition must grow from within outwardly, and not conversely. The specialist must always be an outsider, whose talents, experience and capacity are valuable only as they are intelligently employed.

Given a booklet to write on the best way to use the Guardian Trust Company of Podunk, he can be found useful and valuable in taking the material and facts furnished by the company and molding them into a readable and interesting form, provided he understands something about trust company work, and has a grasp of the real potential facts that have produced a character, reputation and business for the Guardian.

The successful specialist is primarily an analyst; he has "a nose for facts and news," and this requisite has caused many newspaper "feature

writers" to drift into the work. They have become strong copy men in many cases. Advertising managers seek such men out and buy ideas for street car cards, magazine advertisements, posters and booklets. Frequently successful managers are not men of copy ideas, when this is the condition the specialist of certain type gets his chance.

Getting Ideas

The advertisers of Sapolio, Pears' Soap, and the breakfast foods, buy ideas, finished or crude. The advertising agencies buy from outsiders many of the ideas they hand their clients. Frequently an agency will fail to produce a line of copy or designs to suit an important client, then the specialists are called in and new minds with a fresh viewpoint are brought to bear on the subject. That it pays is best shown in the fact that the tribe of specialists flourishes and waxes stronger.

Other specialists make a feature of certain lines of business. For instance one man in Philadelphia is reputed to make $4,000.00 to $6,000.00 a year writing and designing hardware and mechanical specialties advertising. Being a mechanical engineer but having a talent for writing and salesmanship, he has made a certain success of it.

How Some Work

Another man in New York confines his work to planning and preparing the matter for follow-up campaigns. His time, with that of several assistants, is wholly occupied with such work, mainly in the service of mail-order houses. A very close examination of his methods would reveal that he had an enormous mail from other houses, which he sifted for good ideas. He would be found traveling among mail order houses, getting an idea here, a form there, a system somewhere else and then applying, changing, pruning, acting as a clearing house for his customers. Certainly such a service is worth the money it commands and receives.

Another writer, much advertised as the originator of "reason-why" copy, which was a shrewd trade-marking of an old idea used by advertisers since advertising began, had an affidavit made by a reputable publisher that he received $2,500 for an analysis and plan of campaign and ten advertisements, from the customers whom he desired to serve.

$1,000 for an Opinion

This same man received $1,000 for an opinion on the methods of advertising in use or proposed by an advertiser. He received from $100 to $150 for writing a single page magazine advertisement.

It is said that the elder Powers received $100 and expenses a day for his work, and he started when he got ready and left off when it pleased him. Other specialists, such as Bates and Fowler, charged simi-

lar sums and afterwards made a written report embodying their observations and suggestions.

This type of specialist, however, has now almost disappeared, and has given place to the man who is called in when specific work, such as laying out a newspaper or magazine campaign, or a catalog, or booklet, is contemplated.

These men are not quite so generally advertised as formerly, and are specializing in certain fields. **They Specialize**

One makes a specialty of preparing hardware or mail order catalogs for the press. He charges $10 a day and expenses; another gets $25 a day and expenses, including himself and an assistant, but pays his assistant's salary. He will not consider any engagement for a less period than eight weeks.

There are others who specialize in drug advertising. Some of these, as is eminently proper, are graduates of pharmacy schools, others graduate chemists, and as such capable of understanding the technical necessities of their work. A few drug and drug specialty concerns have graduate doctors at the head of their advertising departments, or have professional advisers. The more successful houses, among those who advertise the medicines to the people, have trained advertising men who may have nothing but a layman's knowledge of the technical part of manufacture.

Since 1902 several concerns have arisen who make a specialty of bank and financial advertising. These concerns have played a role of greatly varying importance in the making of financial advertising. There is no man of commanding success, if we except the bizarre results achieved by Lawson, who has become identified with financial advertising, such as we see in the mail order field, the line of retail dry goods, the marketing of drug specialties and in the work of creating a market for manufactured specialties of various kinds. **Some Concerns Specialize**

Mr. Vanderlip of the City National Bank of New York has always had a keen sense of the value of publicity, but he has been the voice of one institution.

There have been others who have molded public sentiment, but always for certain definite interests by whom they were in permanent employment. The financial advertising specialist, with his wide scope, his unlimited field for action, is yet to come. It will hardly be many

years before he will be a well recognized force in all great campaigns, and as such sought by many smaller interests which do not desire to lose money by unwise investment in a game of which it will cease to be a shame to acknowledge they know little.

There are other specialists who will criticise your advertisements charging from $2 to $25 paid in advance. I have known times when they sent full value, but frequently it is payment for a "letter of advice," the burden of which is "let me prepare your advertising."

Paying for Opinions

When you consider that you can get the opinions of many of the people to whom you are addressing your efforts, whose opinions make or mar your business, for nothing or, at least, for the payment of a small sum, you can understand that such specialists are hardly to be considered as practicing advertising as the best would have it.

There is another specialist in the advertising field who is becoming more valuable as printing becomes more artistic, the printing specialist.

His particular work is to make your printing attractive and to fit the graphic dress to your advertising personality. It is said there are printing specialists in New York and Chicago whose engagements yield profits of $7,000 to $18,000 a year.

These men operate in this way.

Presuming that you desire a booklet that shall describe your institution and its service, as a preliminary, you indicate in an interview or by letter the sum you wish to pay and in going over the samples of booklets proffered, let him know what particular style of work impresses you most favorably.

Dummies

Dummies are then prepared by the specialist, with a view to giving you a physical suggestion of his ideas.

Possibly you select one of the two or three suggested. Prices are then forwarded on the idea, in quantities you desire. These prices are probably given in several different ways. After accepting the price and the dummy you wish, you are then in a fair way to get the best results.

Sometimes it happens, many dummies are submitted before the satisfactory one is obtained.

The question may be asked: In what way does this differ from the printer who submits ideas and dummies?

In this: The specialist has the pick of the artists, writers and plants of a great city, and the printer of a commercial necessity, wishes to sell the product of his own particular organization.

A Difference

The printing specialist gives the art designing to an artist whose particular talents and workmanship it is thought will just fit your requirements.

The specialist can get you any effect you want and at almost any price you are willing to pay. His product is highly diversified in character, style and arrangement because his system is flexible. This very flexibility, however, is sometimes lacking in grasp and comprehensiveness, and runs to superficiality.

General advertisers—or advertisers handling a standard product, or in exceptional cases where the specialist can produce the services of expert writers on your own particular subject—can frequently obtain exceptional results in typographic, artistic and literary features.

Experts in Typography

Indeed it is told of a certain Chicago house in the wholesale clothing line that on one occasion it secured the services of a specialist to "produce a booklet better than the other fellow's." In this case the "other fellow" had employed a very clever advertising man who had more talent than conscience. The specialist knew this rival advertising manager and offered him a nice fat fee if he would write a booklet that would "throw his previous effort in the shade."

The offer was accepted and the idea and copy in due course was presented, accepted and published. The parties to the contract were highly pleased and I venture that this is the first publication of the story.

So far I have treated of the specialist who has an office and a more or less complete business organization to look after his work.

There are an army of men and women in New York, fewer in Chicago, and now and then one or two in Boston and St. Louis and the smaller cities, who write special articles for magazines and newspapers and sell ideas for cartoons. Then there are the professional puzzle makers; the man who poses models and makes photographs to illustrate advertisements; the man who writes stories with a more or less deft reference to your bank or the brand of cheese you make; there is the professional fashion designer, and the man who will count money in your show window; also, the artist who will make "chalk talks" on saving money in your window or that of any prominent store.

Men and Women of Keen Wits

Do not think these men and women are of the army of poor, hungry, ill-dressed, down-at-the-heel Bohemians, adventurers, commercial cut-purses—they art not. Some of them make more in a year than your entire pay-roll amounts to.

Some Specialists

Men who stand at the head and front of the profession such as Mr. Manly M. Gillam, counselor to the "New York Herald" and a half-dozen other large interests, is supposed to have an income of over $20,000 a year. There is Nathaniel Fowler, Jr., now retired and living near Boston, who has written several books, and enjoys a very comfortable income from the practice of his profession. There is John E. Powers, the first great retail advertising specialist, who originated the famous Wanamaker style of advertising, whose income, so report has it, was close to $20,000 a year. He was also responsible for that brilliant advertising campaign for Murphy Varnishes and for the advertisements that for several years made Macbeth chimneys the most remarkable quarter-page advertisers in the magazines.

The specialist is a man who is too good an advertising man for one concern to afford, or he is too poor a one to find a job.

Of the latter we must always have a greater or less number.

I confess to a certain impatience with those geniuses who spring fully equipped from the womb of obscurity to lead the banking world into the land of Canaan.

They see the comfortable activity of assured success, or read the fables of huge incomes, and cupidity acting as the motive of their effort, they promise all things because, let us say in charity, they are ignorant of the purport of their promises.

The Danger of the Quack

Beware of the specialist who has a patent, guaranteed remedy for any of your advertising ills until he has modestly proceeded to familiarize himself with your condition, your business, your environment, your people and what you can do.

The patent specific attitude should be discouraged. Successful financial advertising is not put up in packages and sold as merchandise.

Where can the specialist be used with safety and profit?

In the planning of campaigns after a careful study of conditions.

In the preparation of copy after a careful study of *your* business.

In the organization of your advertising after a study of your purpose and methods.

In the supervision of your advertising printing, after he knows the people you are after.

Because he knows these things better than you can know them, because it is his business and because he has succeeded.

Because—That's All

Having gone thus far in the reading of this book, you will admit that you have read many things that *seem* true, and many things that *seem* new, and you will probably admit that many of the true things are new, to paraphrase an eminent statesman. But, you will possibly admit also that the man who could bring to your problems a clear-minded and accurate application of the principles laid down here, would probably be worth a reasonable fee, as an insurance against failure.

That is why we have the specialist in other lines of advertising, and why it is inevitable that he will come in financial advertising.

He is valuable, particularly to the advertiser who can not afford to have the best assistance all the time, yet who wants to be started right and to have the right road pointed out to him. Such a man calls upon experience in a wide variety of things to protect him from the many possibilities of error that confront the less experienced.

To Whom He Can Bring Profit

Even where regularly employed managers look after the advertising, the specialist is now called in to give opinions and make suggestions.

Managers do not object to this, any more than an accountant objects to the employment of the professional auditor who audits his accounts, suggests new and shorter methods or more precise and accurate systems of obtaining the facts and figures of the business.

The specialist is the professional outside eye. He is successful in direct proportion to the accuracy of his knowledge, the judicial quality of his temperament and whether he is a quack or a real master of his profession.

The smallest bank can use the specialist in one particular—to show it what the most successful bank advertisers have done and how they did it; to be in at the birth of the new plan and to guide its first faltering steps. It must always remain with the bank's officers to determine what, after all, will be the bank's policy, because the policy towards certain methods or styles of advertising will determine beyond any doubt, quite as much as the wording of the copy, the character and repute the bank will achieve in the minds of its public.

Where the Small Bank Can Use Him

His Future

There are few advertising managers in banks—there are very few specialists in financial advertising—who by a series of conspicuous successes may reasonably lay claim to being superior in ability or character to the average man in other branches of the profession. In a line where the work is so slightly differentiated as it is in the financial world, it will be a long time before financial specialists will have much to do. Of course, there will be a few banks that will achieve distinction and power through the use of printers' ink, but it will remain for the second generation of financial advertising managers to obtain the full measure of success.

But when Harvard University installs a chair of advertising, the University of Wisconsin gives it a large part in its Commercial Course and Columbia devotes a share of the work in its School of Journalism to the study of the practice of advertising, the time is drawing closer and closer when it will not seem strange to the most unsophisticated that some men should know more than they about this most difficult and subtle of commercial expressions.

Then will come the specialist in financial advertising who will tend to make this work remarkable instead of commonplace.

CHAPTER XXVI

WHAT THE ADVERTISING AGENCY CAN DO FOR THE FINANCIAL ADVERTISER

THE ORIGINAL FUNCTION OF THE ADVERTISING AGENCY—THE CHANGE THAT HAS COME—TWO CLASSES OF AGENCIES—THE SERVICE AGENCY AND THE ADVERTISING SPACE BROKERS—WHAT AN IDEAL ADVERTISING AGENCY WOULD BE ABLE TO DO—WHAT THE AVERAGE AGENCY LACKS—THE "COPY" DEPARTMENT—THE "ADVISORY BOARD"—THE DIRECTOR OF SERVICE—THE ANALYSIS OF SERVICE CHARGES—WHAT THE AGENCY CHARGES—WHERE AN AGENCY CAN BE OF SERVICE—THE FALLACY OF BUYING "SERVICE" ON A COMPETITIVE BASIS—SOME GOOD AGENCY "TALKING POINTS" WHICH MEAN LITTLE IN PRACTICE—SPECIALIZING ON CERTAIN LINES OF BUSINESS—LITTLE VALUE IN BIG MACHINES—THE COMMISSION PLAN OF REMUNERATION—THE PUBLISHER PAYS THE AGENCY FOR TAKING CARE OF THE ADVERTISER—HOW TO SELECT AN AGENCY—HOW ONE ADVERTISER SELECTED AN AGENCY—HOW LONG ESTABLISHED?—WHAT IS THE TOTAL OF THE ACCOUNTS HANDLED?—WHAT ACCOUNTS?—WHAT FACILITIES FOR TURNING OUT GOOD COPY?—WHAT ART FACILITIES?—ON WHAT BASIS DO YOU HANDLE ACCOUNTS?—HOW WOULD YOU FAMILIARIZE YOURSELVES WITH OUR PROPOSITION?—WHAT IS YOUR FORM OF CONTRACT?—SEND SAMPLES OF WORK—THE TEMPTATION IS TO SAVE MONEY—LUMPING MEDIUMS IN ESTIMATES—FIGURING RATES—AGENCIES WITH SIDE LINES—AGENCIES WITH OBLIGATIONS TO PUBLISHERS—AGENCIES WITH A CORPS OF ADVERTISING MANAGERS BETTER THAN YOURS

The Original Agency

THE ADVERTISING agency originally furnished the organization by which the advertiser could, in a single order, distribute copy to a number of publications. The advertising agent was looked upon as a broker who bought space as cheap as he could and sold it for as much as he could.

In the days before publishers attempted to establish fixed rates, when a publication might be carrying fifty different advertising accounts at as many different rates, the advertising agent who handled a large amount of business, could practically fix his own rate in any publication in the country.

The agent's position in the advertising world has, however, come to be, to a certain extent, an anomaly. He receives a commission from publishers for the business he hands them, yet his claim upon the advertiser is that he serves the advertiser's interests in a confidential capacity.

There are, roughly speaking, two classes of advertising agencies. One gives what it calls "service," the other acts simply as a middle man standing between the advertiser and the publisher. The first class has for its ideal a certain system of organization calculated to be of special service to the advertiser in the planning and execution of adver-

tising campaigns. This kind of agency acts in the capacity of a director of the advertiser's forces; it aims to study the proposition so carefully and thoroughly that it will be able to conform the advertising close to the work of the selling organization and in such a way that the two will produce an adequate result. That comparatively few agencies realize this ideal is well known to those advertisers who have endeavored to make use of the "service." The "service" has been to a large extent superficial, through one particular fault of organization; i. e., a greater desire to *get* business than to keep it.

"Service" Has Been a Name

First, and above everything else, the average agency is an organization to get business. Its main object is to obtain a contract and then to give it as much attention as the commissions will warrant, after a certain amount has been decided upon as the required profit. A cynical man once remarked that "the average agency employed a $5,000 man to get business and a $500 man to keep it." While that may be an extreme statement of the case, yet in many instances it has been well deserved. Even where service was intended to be conscientiously given, the highly diversified character of the business has led to a condition in which advertisers found they received very little personal attention from men whose talents and experience were calculated to inspire them with confidence, or to produce the character of results they wished.

The Ideal Agency

In writing of this subject, an advertising manager once said the ideal advertising agency ought to be organized on the following basis:

"1. An 'Advisory Board' that will carefully consider your proposition, and if it concludes that advertising can be profitably applied will map out a consistent, definite plan of campaign.

"2. A 'Director of Service,' who will take active charge of the campaign and see that every department furnishes service of maximum efficiency.

"3. A department of expert copy writers, who understand human nature and who know how to talk on paper to the people you wish to reach.

"4. A competent staff of artists who can make pictures that will illustrate a point or a commodity to the advantage of the advertiser.

"5. A media committee, that gives special study to the various classes of media and keeps accurate and comprehensive records of the exact value of all publications.

The Ideal Agency

"6. A purchasing department that is able to obtain for you the very lowest rates, best positions and greatest number of editorial courtesies, etc.

"7. A printing department especially equipped to produce literature in which the type really talks.

"8. Special departments equipped to render special service in connection with a general campaign, such as departments for trade paper advertising, follow-up systems, outdoor advertising, signs, novelties, etc.

"9. Intelligent and courteous 'go-betweens' representatives of the agency who carry on the transactions between the client and the agency.

"10. Departments of records of results and of research, in which are maintained in tabulated form the pulling power of all classes, styles and sizes of copy, various kinds of media, publications, etc., and a complete file of the efforts and plans of all successful advertisers."

The average agency, however, as it is organized today, has neither an "Advisory Board," a "Director of Service," a department of expert copy writers, nor first-class artists, nor a media committee, a purchasing department nor a printing department, nor any of the other suggested requisites except the inevitable "intelligent and courteous representative."

Some agencies, of course, do have copy departments, in which men who draw salaries from $10 to $40 a week, look after copy writing from details received at second or third hand, and consequently lacking in that grip and forcefulness which come of an intimate contact with the facts and personality of the business.

Analysis of Some "Features"

"The Advisory Board" of the average agency consists of the representative who calls on you. He is generally paid a commission on the amount of business he obtains, where he is consequently between the horns of the dilemma; on the one hand getting as much business as he possibly can in order that his commissions may be swelled; on the other serving your interests even at the cost of his own pocketbook.

The "Director of Service" is generally the same representative who, on his return to the agency, will take up with some member of the copy department assigned to this particular work, the facts and details he has obtained, give the copy man his impression of your business and the copy man turns out the copy according to his instructions, if he can.

The selection of media is generally left to a tug of war between you and the representative of the agency. Commission and profit from your

The Natural Limitations

business is entirely dependent upon the size and position of the advertising you use and the number of mediums in which you use it.

That many agencies endeavor to conscientiously fit your advertising necessities to the best advantage of your business, goes without saying, but on the other hand, there is such a constant temptation to "overplay the hand"—and it has resulted in so many cases in inevitable disaster—that any concern dealing with an agency should have the advice and assistance of an unprejudiced and unbiased advertising manager.

The average agency, of course, has no printing department, and very few agencies have men who understand anything about printing, and this very important part of an advertising campaign, particularly for a bank, is left to the individual initiative of the advertiser or the representative—as he sometimes will and infrequently can—helps in the arrangement. The agency must maintain at a considerable expense, competent assistants for such men. These men must be worth anywhere from $5,000 to $15,000 a year in order to be worth very much to you. If your appropriation is comparatively small, it can readily be realized that the largest possible returns in the way of commissions on your appropriation or total expenditure would hardly pay for the time necessary to give it. If, for instance, a bank expends $5,000 a year, and pays an agency 10 per cent., that is but $500, which would not more than pay the agency's outlay for the time of a capable man, much less the cost of maintenance of an organization, the traveling expenses and the dividends on the agency's investment.

If, however, the annual appropriation were $50,000 it would probably require no more designing of advertising, no greater preparation of a campaign, no more preparation of copy for booklets than the former, because the plan would simply call for advertising in a larger list of magazines, probably larger space, possibly larger editions of booklets, etc. But the difference in commissions to the agency would be $4,500, and it can be understood that such an appropriation would pay the agency for the enlistment of the highest grade of talent.

Who Needs an Agency?

If the advertiser has a regularly organized advertising department in the hands of a competent advertising man, who looks after the details of copy writing, designing, engraving and printing, who arranges his own plans of follow-up, and organizes his own media, there can be no just reason why he should not lay his list of publications before any number of advertising agencies for bids. He is perfectly safe in accepting the bid of any one of twenty or thirty advertising agencies.

If, on the other hand, the advertiser has no advertising department, but must necessarily lean on the advertising agency for direction and assistance, he runs the greatest chance of ultimate failure if he leaves the question of who shall do the work on the basis of bids. No advertiser, unless he is thoroughly equipped to handle all the details of the business himself, should think for a moment that any advertising agency could do as much for him for $500 as another agency wants a thousand dollars for. Upon this point one writer says:

The Kind That Deserve to Fail

The main concern of some agencies is not the placing of advertising on the merits of the case and charging something for services rendered. Their sole idea is rather to underbid the other fellow at all hazards. Their work is competitive—not creative. Self-respect should, said a prominent advertising trade journal, and good sense does forbid dealing with and through such agencies. When an agent claims that he has special inside rates which enable him to underbid his competitor, it's a ten-to-one bet that its a lie. Such agencies are perforce compelled to swindle either the publications or the clients, and, likely as not, if they propose to swindle the publication in behalf of the clients, they will, at the first opportunity, turn the other way about and swindle the client in behalf of the publications. 'Tis safe to tie only to those agents known to be honest and who offer only a dollar's worth for a dollar.

There is no real necessity for a real advertising agency's cutting prices. Advertisers in this country today are too keen after ideas and profitable service not to make the agency that can deliver the goods a profitable proposition.

The advertiser should discourage the growth of that constantly increasing army of small fry, cut-price, cut-throat advertising agencies, not in the interest of the big ones, but in the interest of good advertising. Good advertising calls for so much more than mere desire to advertise. It calls for a special knowledge and training as has been amply demonstrated in other chapters of this book. It should be realized by this time by any one who has read the preceding chapters that advertising calls for a superior grade of intelligence, a broad business experience, and an analytical capacity of no mean order, to be able to serve in any advertising capacity where the confidence of the advertiser is essential to success.

What it Works for or Against

In booklets and folders the work is generally considered on a copy basis; the average agency knows nothing about trade paper advertising, follow-up systems, novelties and little of outdoor signs. The average agency will work against the trade papers. Follow-up systems have become more of a fashion within the past four or five years, but the finer parts of it must still be left to the individual advertiser, and the work of handling novelties is yet a dark secret to the average agent, largely

because the novelty houses have never made arrangements with agencies for the work to be handled on a basis of mutual profit.

Department of Records

The "department of records" is, with some agencies, one of the star attractions. The tabulation of results from advertising done for other concerns frequently leads to most unhappy conclusions. As we have already shown, advertising grows out of the particular selling conditions of a concern. Unless you know all the conditions, all the methods, the individuality of the advertiser, the people to whom he appeals, the selling conditions of his product, you have no right to assume that the figures on inquiries, sales and results accruing from a given appropriation, placed in a given number of mediums for one concern, will be duplicated for you, even if you are in a precisely similar line.

The Changes of Four Years

The advertising agency has changed, however, greatly within the past three or four years. A very few agencies have commenced to specialize, and this is one of the most hopeful signs of the times. When the agencies realize that the equipment of their proprietors, if worth anything at all, is fit only for a humanly restricted line of endeavor, that they cannot possibly know all things as well as they may know a few, the advertising agencies will cease to become a source of uncertain assistance and profit and will be of very definite benefit.

Today some agencies are making a specialty of medical advertising, other agencies are making a specialty of technical advertising, such as engineering, construction work, machinery advertising, etc.; still others are making a specialty of banking and financial advertising. The natural result has been as these agencies bring to the work an original invention, a special experience and organization, so they have realized in a more complete and fitting manner and best results more consistently than the general advertising agency can ever hope to do.

Regarding concentration and systematic work, the agency that makes a specialty of one line of business has an opportunity to study the public interest in that line, has an opportunity to compare results and to give the benefit of special advice and special information to its clients.

The Large Publicity Campaigns

The large publicity campaigns for foods, wearing apparel and widely distributed necessities or specialties can still be handled by the publicity experts in which the general advertising agency is usually richer than in any other line; but the handling of high-grade specialties, marketed through sales organizations of national scope, the handling of mail-order business, the development of financial confidence and faith

will always remain in the hands of specialists, whether these specialists be a part of a great advertising organization or not does not matter, but the point remains the same. The small agency specializing along a certain line is of more value than the general advertising agency having a multitude of accounts, organized on the basis of a machine, with men who have but a general training. It may be that the general agency will some time realize that an advertising man can know more about one line of business than he can know about twenty; it will probably recognize that it calls for a special kind of talent to be able to reach the people with financial advertising, or on some other line just as specialized in its problems.

Specialization Coming

When this time comes the general agency will have the advantage of a large number of sources of revenue, and should therefore be able to maintain a more highly diversified staff.

The Time is Coming

There will inevitably come a time when the advertising agency will have to have its copy men meet the advertiser, know the proposition from the inside as well as from the outside and assist the advertiser in the development of all lines of the advertising, not only in the magazine or newspaper work, but the trade paper, follow-up, printed matter, bill boards, novelties, etc.

Brief mention has been made of the commission plan on which the advertising agency is paid. This has led, as I have said, to an illogical condition of affairs in that the publisher pays the agent a commission on all the advertising handled and the advertiser pays the advertising agent a commission to handle his advertising. This is generally arranged on a peculiar basis. The agency in highly competitive business may charge as low as three or five per cent. upon the total amount expended, basing the latter on the net amount charged by the publisher. If, for instance, the card rate charged by a publisher is $100, the agency's commission might be 15 per cent., which would make the net amount charged the agency by the publisher $85. If the agency had accepted the advertiser's account on a ten per cent. basis the advertiser would pay the $85 plus ten per cent., or $93.50, by which it will be seen he has saved $6.50, or six and one-half per cent. on the original card rate of the publisher. It is supposed that the publisher will charge the advertiser, if doing the business direct, the full card rate of $100. If the advertiser should fail to pay his bill the agency is still indebted to the publisher; if the agency should fail to pay the bill the publisher has no recourse but to debit it to profit and loss.

What Redress?

The agent takes a contract to perform certain things, in which he says that he will put certain advertising in certain publications, and if he fails to do so the advertiser generally has no redress.

The publisher may know that a certain class of people could be approached in a better way than the agency determines is the right way. The new advertiser, assuming him to know neither the processes of advertising nor the particular field and clientele of the publication in which he advertises, is at the mercy of the agent. The publisher, because of the numerous contracts handled by the agency, finds it impossible to make any suggestions and the advertiser loses out; the publisher loses a possible profitable account, but the agency gets the commission.

The best plan, however, to meet this condition is to adopt the attitude toward any agency that it can profit you only by its thorough knowledge of the field, and this knowledge must be demonstrated in a way beyond question.

How to Get at the Facts

When about to place an advertising contract invite suggestions and bids from the reputable agencies.

If you don't know what you want to do invite suggestions and plans of campaign from agencies with whom you wish to do business.

These plans should be furnished you with a very distinct understanding that they are submitted in competition.

A number of the first grade of agencies will not submit plans in competition.

They will generally be found to be agencies of long experience and with many successes.

There is no interest in which experience and capital and prestige count for so much as in the advertising field, hence due weight should be given to its prescribed requirements.

The principal matter for the new advertiser to consider, however, is the question of service.

Needs It

Service is the care with which all the details of a campaign are looked after by the agency's representatives. The new advertiser generally needs service, and needs it more than he knows.

He needs the kind of service possible only through the closest possible attention of a trained advertising man.

The old time advertiser having planned his campaign, should invite prices and suggestions on the best way of carrying it forward.

What Has the Agency to Offer?

This brings both the old and the new advertiser to that same point. What can the agency offer as an assurance of its capacity to handle the campaign effectively, in carrying out either its own or your ideas?

Probably the best method is that in general use by the leading advertisers, that of addressing to a list of the clients of the agencies, as furnished by them, an identical letter, in which certain questions are asked.

These questions should be along lines like these:

We have been talking over with the Smith-Jones Advertising Agency as to their ability to handle our advertising account. We are under the impression that they are now handling your advertising, and we are taking the liberty of asking you to give us some information on the above point.

Questions to Ask

First, have they always turned out satisfactory copy for you? Do they make a careful study of your proposition so as to put themselves in a position to write effective copy?

Second, do they give you good art work?

Third, does your account have the personal attention and interest of the principal of this agency?

Fourth, are you willing to recommend the services of this agency, basing your recommendation on your own experience with them?

Fifth, have they been able to help you in connection with your inside organization so as to put you in the best position to do good follow-up work and take advantage of your advertising in every way?

Sixth, are they handling magazine, newspaper, and billposting in your behalf?

Seventh, can you favor us with any samples of their work?

This may look like a rather formidable set of questions, but we are very anxious to place our business in the right hands. Of course, any information which you may give us will he held strictly confidential by us.

Thanking you for any trouble in our behalf, we are, yours truly.*

This letter will produce a lot of answers from the customers of the agencies and will generally produce some interesting data.

Perfectly Proper

There is not a question in the foregoing that could not, with perfect propriety, be asked by any banker about to appoint an agency for the handling of his advertising. In fact, a complete answer to all of the above questions would give the banker but a portion of the information that he should have about the agency that handles his business.

In the case above a New York agency notable for its excellent service and exclusive line of accounts, was in turn required to answer, with its competitors for the account, twelve questions bearing on the quality of its service and how it expected to produce results. This agency's

*Reproduction of a letter actually sent out by a large manufacturing concern about to place a national campaign in the hands of an agency.

answers were as follows—and it may be said in passing this agency was awarded the contract:

How They Were Answered

I. How long has our agency been established?

Five years.

II. What is the total of the accounts at present handled by your agency?

Twenty-one. While this represents the total number, it should be explained that a number of these accounts are small and inconspicuous, but you will get a general idea of what they are from our answer to your question No. 3.

III. Name some of your accounts.

Here is our complete list: [Then follows forty or fifty names of leading advertisers.] We have from time to time small transitory accounts, for the preparation of catalogues, booklets, mail series, follow-up matter, form letters and other printed things which are not given in the above list. As far as possible, however, we are trying to eliminate such work, except where it is done for customers whose magazine, newspaper and street-car advertising we also prepare on the theory that "it is better for us, and therefore better for our clients, that we do many things for a few clients than a few things for many clients."

IV. What facilities are at your command for turning out good copy?

The "good team work" of a very small staff. Understanding "copy" as that combination of text with design which produces a complete advertisement, we wish to say that all copy is prepared only after the plan of the campaign and the policy or "tone" of the advertising has been fully discussed before the small staff which constitutes the "brains" of our office. This does not mean that the actual design used in an advertisement would be drawn by either Mr. Jones* or Mr. Smith. It does mean that Mr. Brown, who is in charge of the Art Department, would be present at the meetings where every detail of the proposed advertising had been discussed. (For the handling of art work see answer to No. 5.) Likewise Mr. White, the typographer, would have been present because the typographical form of the advertising has much to do with its effectiveness. Mr. Jenkins would be present because a discussion of the list, the respective values of publications and the positions to be requested are important in the "placing" of the advertising. These meetings are held daily and the vital points of each customer's advertising are discussed, not only at first, but during all the time that we handle the advertising. The three objects to be obtained in preparing an advertisement are: 1. The quality of attracting attention. 2. Display of the name or picture of the article advertised. 3. Text intended to sell the goods. The actual writing of the copy, as well as the final form of the plan, the decision as to style, policy and character of the advertising, is decided by Mr. Smith and Mr. Jones, with the advice and assistance of Mr. Adams. No plan, copy or design leaves the office until it has been passed by either Mr. Jones or Mr. Smith, and as far as possible by both.

V. What facilities are at your command for turning out good art work?

A small but well-organized art department, designedly not large enough for all of the work we require. Good art work as a part of good magazine advertising and of all good advertising has been explained in the answer to the

*All these names are fictitious.

How They Were Answered

previous question. The ideas of the designs are not due entirely to Mr. Brown's suggestion, but to the suggestions of the entire staff. In the working out of them Mr. Brown has the advantage of an immediate staff of artists, all selected for special work—the sort of work that is best done in our own studio and under the supervision of our own art manager. We keep in close connection through Mr. Brown, with numerous art studios located in and about New York, and also in other cities. These studios are managed by men trained in commercial designing, but the work they do for us must conform to our standards, and pass not only Mr. Brown, but the entire staff. They must be not only good designs, but also good advertising. We are not, however, confined to commercial art. We keep in touch with all the leading artists of the United States, and can secure work of the sort that is used for magazine and book illustrating, or color work of the kind that is shown at art exhibitions, if desired. We have, through the arrangement and management of our Art Department, an auxiliary art department, consisting of every good artist in the world whose work is purchasable, provided it is wanted and the price for it is available. In this case what we supply is not the work of the artist, but the intelligence which decides whether that work is fitted for advertising the particular article in question.

VI. On what basis will you handle our account? What will be your charge to us?

Practically, we would charge fifteen per cent. on the net cost of the space to be used where the appropriation does not exceed one hundred thousand dollars a year; otherwise, ten per cent. It must be noted, however, that certain publications compel advertising agents to sign a contract by which they bind themselves to bill their clients at card rates, the commission, of course, being included in the card rate, and the commission in all such cases is from ten to fifteen per cent. We should add that on "contract" publications which allow agents more than ten per cent. we must absorb the full commission irrespective of the amount of the client's appropriation. These, however, are few in number and do not exceed fifteen per cent.—some are thirteen per cent. When we present an estimate it is always in two columns—one column headed "Net" and the other "Gross." The amounts in the gross column represent the publications with which we are bound by the contract mentioned above. To the total of this gross column no commission is added, because it has been included. In the net column we figure the actual net cost to us, and to the total of the net column we add ten or fifteen per cent., as the case may be. This commission compensates us for everything in the way of advice, counsel, the study of the subject, the planning of the campaign and the actual writing of copy, together with ideas and suggestions for designs. All other expenditures, such as the designs themselves, engraving, electrotyping, typesetting and printing used in the magazine advertising are charged the customers according to the cost to us. All collateral matter, such as booklets, follow-up matter, and the like are extra. The prices for such work, however, are agreed upon in advance, and all such work is done subject to the previous approval of the advertiser. We also insist that all customers shall take advantage of the five per cent. discount allowed by magazines to insure prompt payment of bills for magazine space.

VII. If we should give you our account, what steps would you take to familiarize yourself with our proposition?

We study not only your goods, but also your selling problem. We should visit the factory for the inspiration it would give us and the advantage we would gain by talking with the principals of your company, and, if possible, the heads of departments. We have always found it more advantageous to see personally the plant in which the goods are manufactured than to depend entirely upon printed matter describing them, however good. Following our visit to the factory, we begin our study of the subject, and this would result in the presentation of a care-

How They Were Answered

fully elaborated plan of work with suggestions for copy, designs, etc. This first study would be supplemented for as long a time as we did your advertising by constant effort on the part of every one of our staff to ascertain conditions under which your goods are used, to draw upon our personal experience and the personal experience of our friends, to find out the attitude toward your goods on the part of the consumer and the retail store, and in every way to get the point of view of the consumer as a guide in preparing the advertising. In other words, we live with each one of our advertising accounts. As we go about the world we constantly study the effect of our advertising upon the public, the effect of the goods we advertise upon the public, the opinions of various people about the advertising and about the goods, so that we can see whether the advertising accomplishes what we intended it shall accomplish.

VIII. What is the form of contract which you would put up to us?

None. We have no contract with any client and would never ask for one. We would much rather keep the whole matter on a professional basis, depending for the continuance of relations upon the satisfaction given by the work, and would, under no circumstances, want to hold a client who was dissatisfied.

IX. (a) *Would our accounts have the personal attention and interest of the principals of your agency?*

(b) *To what extent would they handle the actual writing and designing?*

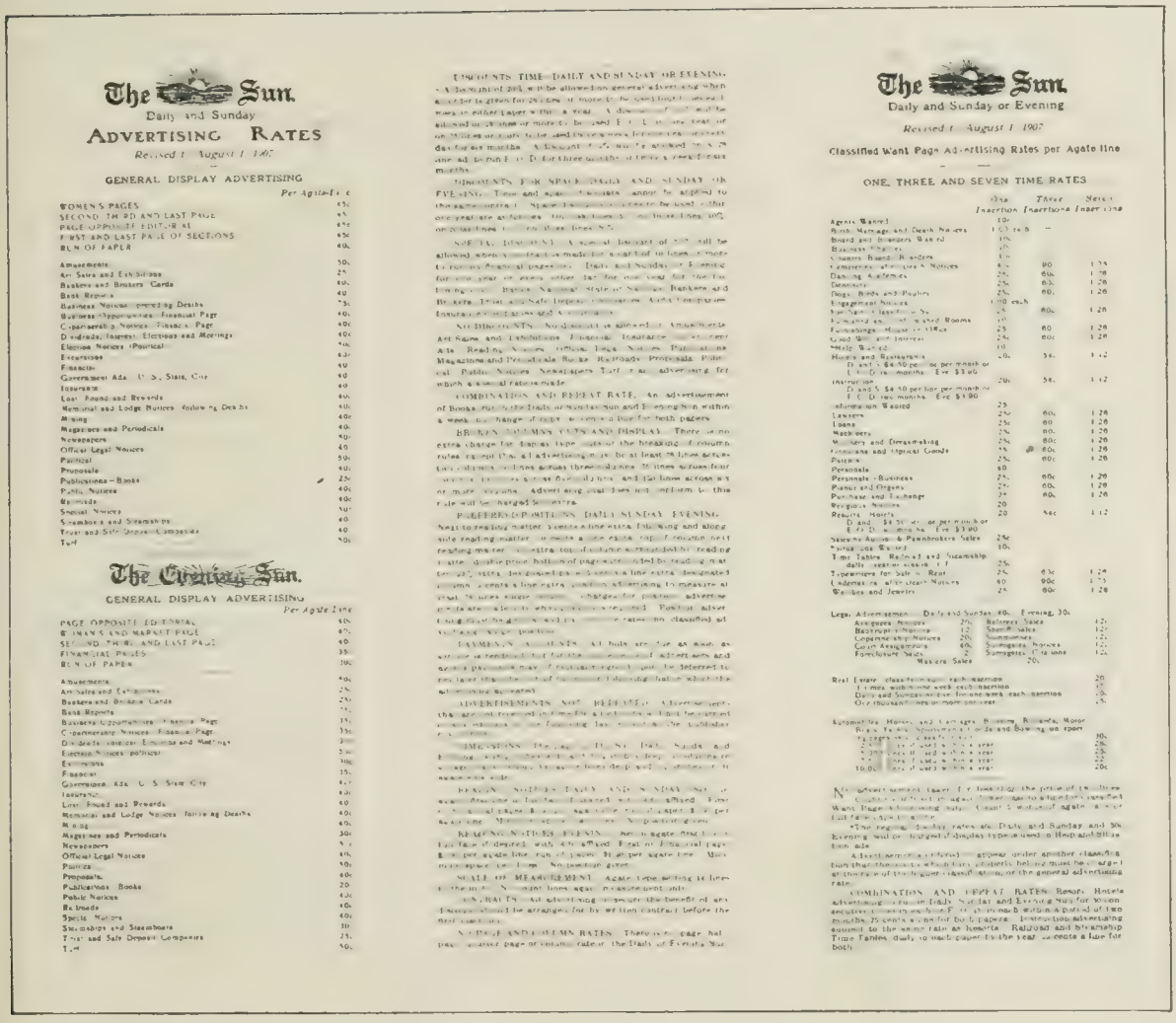
(a) Yes. (b) Entirely. This question has been rather fully answered in our answers to your questions Nos. 4 and 5. We wish to emphasize, however, that the actual planning of your campaign and the writing of the copy necessary to it, would always be handled by the principals—never delegated to a subordinate. As to designing, the idea would be either originated or approved by the principals and the final drawings passed upon by them.

X. Why do you think an agency of your size is the best able to give us good service?

This question is probably prompted by the claims which, in the past, have very frequently been made by large advertising agencies to the effect that they handle so much business and are so important to the publications that they are always able to secure special privileges, to dominate positions and to have favors granted which a small agency would never hope to receive. Arguments of this kind belong to a period in advertising long since passed, although we occasionally hear of a repetition of them even now. Our five years' experience in handling just such problems has demonstrated to at least our own satisfaction that no matter how true this condition might have been fifteen years ago it does not even bear a relation to the truth today. In fact, one of the things that has pleased us most in our relations with the magazines is the spirit in which the publishers have met us, and we are quite sure that there are no privileges given by publishers of which we do not at least get our share, and, we suspect, very often a little more for good measure. It may be well to state here that we never accept the account of a competitor of one of our clients.

XI. (a) *Are you in position to advise us in connection with our bulletin boards and bill posters?*

(b) *Is there any one on your staff who has had experience along these lines?*



The Sun.

Daily and Sunday

ADVERTISING RATES

Revised to August 1 1907

GENERAL DISPLAY ADVERTISING

Per Agate Line

WOMEN'S PAGES	45c
SECOND, THIRD AND LAST PAGE	45c
PAGE OPPOSITE EDITOR'S	45c
FIRST AND LAST PAGE OF SECTIONS	45c
RUN OF PAPER	40c
Amusements	30c
Art Sales and Exhibitions	25c
Business and Brokers' Cards	60c
Bank Reports	40c
Business Notices (preceding Deaths)	75c
Business Opportunities (Financial Page)	40c
Copartnership Notices (Financial Page)	40c
Dividends, Interest, Elections and Meetings	40c
Election Notices (Political)	50c
Excursions	40c
Financial	40c
Government Ads. (U. S., State, City)	40c
Insurance	40c
Lost, Found and Rewards	40c
Memorial and Lodge Notices (following Deaths)	40c
Mining	40c
Magazines and Periodicals	40c
Newspapers	40c
Official Legal Notices	40c
Political	50c
Proposals	40c
Publications—Books	25c
Public Notices	40c
Railroads	40c
Special Notices	50c
Steamships and Steamboats	40c
Trust and Safe Deposit Companies	40c
Turf	50c

The Evening Sun.

GENERAL DISPLAY ADVERTISING

Per Agate Line

PAGE OPPOSITE EDITORIAL	40c
BUSINESS AND MARKET PAGE	40c
SECOND, THIRD AND LAST PAGE	40c
FINANCIAL PAGES	35c
RUN OF PAPER	30c
Amusements	40c
Art Sales and Exhibitions	25c
Business and Brokers' Cards	75c
Bank Reports	35c
Business Opportunities (Financial Page)	35c
Copartnership Notices (Financial Page)	35c
Dividends, Interest, Elections and Meetings	35c
Election Notices (political)	50c
Excursions	30c
Financial	35c
Government Ads. (U. S., State, City)	40c
Insurance	40c
Lost, Found and Rewards	40c
Memorial and Lodge Notices (following Deaths)	40c
Mining	40c
Magazines and Periodicals	30c
Newspapers	30c
Official Legal Notices	40c
Political	50c
Proposals	40c
Publications—Books	20c
Public Notices	40c
Railroads	40c
Special Notices	40c
Steamships and Steamboats	30c
Trust and Safe Deposit Companies	25c
Turf	50c

DISCOUNTS—TIME—DAILY AND SUNDAY OR EVENING. A discount of 20% will be allowed on general advertising when space is given for 26 times or more in the same issue of one paper, or in both papers within a year. A discount of 15% will be allowed for 13 times or more to be used within a year, or on 52 times or more to be used within a year, in any one issue, or partly in one and partly in the other issue, the space to be used within the year. Discounts for any space contracted for in advance, but not used within the time specified, will be charged at the rate earned by the space used. Discounts for Three Months' Contracts, a week's notice required.

DISCOUNTS FOR SPACE—DAILY AND SUNDAY OR EVENING. Time and space discounts cannot be applied to the same contract. Space discounts cannot be used either one year or as follows: 10,000 lines, 5%; 20,000 lines, 10%; 50,000 lines, 15%.

SPECIAL DISCOUNT. A special discount of 10% will be allowed when a contract is made for a quarter of a column or more for one financial page only. Daily and Sunday or Evening for one year or even other for one year for the following: Banks, National, State and Savings Banks and Bankers, Trust and Safe Deposit Companies, Life Insurance, Fire Insurance, Steamships and Steamboats.

NO DISCOUNTS. No discount is allowed on Amusements, Art Sales and Exhibitions, Financial, Insurance, Government Ads., Reading Notices, Official Legal Notices, Publications, Magazines and Periodicals, Public Notices, Railroads, Proposals, Political, Public Notices, Newspapers. Tariff for advertising for which a special rate is made.

COMBINATIONS AND REPEAT RATE. An advertisement of Books run in the Daily or Sunday Sun and Evening Sun within a week, no change of copy, is considered for both papers.

BREAKING COLUMNS—RULES AND DISPLAY. There is no extra charge for display type, nor for the breaking of column rules, except that all advertisements must be at least 20 lines across two columns, 30 lines across three columns, 35 lines across four columns, 40 lines across five columns, and 50 lines across six or more columns. Advertisements not conforming to this rule will be charged 50% extra.

PREFERENCE (POSITIONS) DAILY AND SUNDAY EVENING. Next to reading matter, 50 cents a line extra. Facing and along side reading matter, 50 cents a line extra. Top of column next reading matter, 50 cents extra. Top of page next reading matter, 50 cents extra. Top of page, bottom of page, next to and facing reading matter, 50 cents extra. Top of page, 50 cents a line extra. Designated column, 50 cents a line extra. Position advertising to measure at least 50 lines, under 50 lines, charges for position advertisements are calculated when [illegible] Position advertisements [illegible] rates on classified and [illegible] position.

CHANGES AND ALTERATIONS. All bills are due as soon as ready, and are rendered for the [illegible] of advertisements and accounts payable may, if requested, be [illegible] to be deferred to no later than the [illegible] following date which the advertisement appeared.

ADVERTISEMENTS NOT REPEATED. Advertisements the agreement for which is for a fixed number of times, but not repeated, [illegible] the following day [illegible] the publication [illegible]

TIME SESSIONS. The [illegible] Daily, Sunday and Evening [illegible] Sun [illegible] Sun [illegible] Sun [illegible] Sun [illegible]

READING NOTICES DAILY AND SUNDAY. [illegible] Advertisements in [illegible] Reading Notices [illegible] Sun [illegible] Sun [illegible] Sun [illegible] Sun [illegible]

READING NOTICES EVENING. [illegible] agate line [illegible] type face if desired, with 40% allowed. Front or Financial page [illegible] per agate line, run of paper [illegible] per agate line. [illegible] Newspaper Street.

SCALE OF MEASUREMENT. Agate type setting 14 lines [illegible] to the inch. Nonpareil lines agate measurement only.

CONTRACTS. All advertising [illegible] for the benefit of any [illegible] should be arranged for by written contract before the first insertion.

NO PAGE AND ITEM RATES. There is no page, half page, quarter page or column rate on the Daily or Evening Sun.

The Sun.

Daily and Sunday or Evening

Revised to August 1 1907

Classified Want Page Advertising Rates per Agate line

ONE, THREE AND SEVEN TIME RATES

	One Insertion	Three Insertions	Seven Insertions
Agents Wanted	10c		
Birth, Marriage and Death Notices	1.00 each	—	
Board and Boarders Wanted	10c		
Business Chances	10c		
Clubs, Board, Boarders	5c		
Cemeteries, Crematories Notices	40c	90c	1.35
Dancing Academies	25c	60c	1.20
Dentists	25c	60c	1.20
Dogs, Birds and Poultry	25c	60c	1.20
Engagement Notices	1.00 each		
Employment Wanted	25	60c	1.20
Furnished and Unfurnished Rooms	10		
Furnishings—House or Office	25	60	1.20
Good Will and Interest	25c	60c	1.20
Help Wanted	10		
Hotels and Restaurants	20c	55c	1.12
D and S $4.50 per line per month or E D 3 months Eve $1.80			
Instruction	20c	55c	1.12
D and S $4.50 per line per month or E D 3 months Eve $1.80			
Information Wanted	25		
Lawyers	25c	60c	1.20
Loans	25c	60	1.20
Machinery	25c	60c	1.20
Millinery and Dressmaking	25c	60c	1.20
Miscellaneous and Special Goods	25c	60c	1.20
Patents	25c	60c	1.20
Personals	40		
Personals—Business	25c	60c	1.20
Pianos and Organs	25c	60c	1.20
Purchase and Exchange	25c	60c	1.20
Religious Notices	20		
Resorts, Hotels	20	55c	1.12
D and S $4.50 per line per month or E D 3 months Eve $1.80			
Salesmen, Agents & Peanbrokers Sales	25c		
Situations Wanted	10c		
Time Tables, Railroad and Steamship, daily, weekly, monthly	25c		
Typewriters for Sale or Rent	25c	65c	1.20
Undertakers' and Clairvoyant Notices	40	90c	1.75
Watches and Jewelry	25	60c	1.20

Legal Advertisements. Daily and Sunday 40c. Evening 30c.

Assignees' Notices	20c	Referees' Sales	12c
Bankruptcy Notices	12	Sheriff's Sales	12c
Copartnership Notices	20c	Summonses	12c
Court Assignments	40c	Surrogates' Notices	12c
Foreclosure Sales	25	Surrogates' Citations	12c
Masters' Sales	20c		

Real Estate classifications, each insertion 20

Three insertions one week each insertion 17c

Daily and Sunday and five times one week each insertion 15c

One thousand lines or more per year 15c

Automobiles, Horses and Carriages, Business, Rooms, Motor Boats, Tickets, Miscellaneous Goods and Business Opportunities, Classified Display

[illegible] per year	30c
[illegible] per year	25c
[illegible] per year	25c
[illegible] per year	25
10,000 [illegible] per year	20c

No advertisement taken for less than the price of one line. Capital letters charged double rate. Display type charged double rate. Want Page Advertising rate: Count 5 words to agate line. Minimum charge, 25 cents.

*The regular display rates are: Daily and Sunday and 30c Evening will be charged for display type in classified Help and Situation sale.

Advertisements in [illegible] appear under another classification than the one to which they properly belong must be charged at the rate of the higher classification, or the general advertising rate.

COMBINATION AND REPEAT RATES. Resorts, Hotels advertising in the Daily Sunday and Evening Sun for season, excursion, [illegible] within a period of two months, 75 cents a line for both papers. Instructions, advertising equipment to the same rate as hotels. Railroad and Steamship Time Tables, daily, weekly, monthly, by the year, 50 cents a line for both.

FIGURE 1

How They Were Answered

(c) *What accounts of this kind have you handled?*

(a) No. (b) No. (c) None. We have never had much to do with the actual placing of orders for billboard and painted sign work, although from time to time we have prepared sketches and designs for this purpose. Most agencies, we believe, find it more expedient to deal directly with the various firms combining these privileges rather than attempt to make it an arm of their own business. We believe if you went into this work very much we could be of material assistance to you in planning and designing posters, but our actual knowledge of the handling of such work is limited.

XII. Will you kindly send us samples of some of the advertising copies you have used for your clients? We would like to see not only samples of magazine copy, but also booklets, catalogues, follow-up matter, etc.

A large collection of this has been sent you.

It does not require very much analysis to see where the advertiser could, as he did, obtain some excellent material on which to base an accurate estimate of the value of the services offered.

The Analysis Gives a Basis

An agency must be judged on the same basis as an employee—by character, experience and brains.

The answers submitted would certainly indicate to the greenest novice that it was well qualified to act in the most confidential capacity. Its answers, taken in conjunction with the reports of its customers and detailed reports from bank references and the mercantile agencies, would give a business-like basis for an accurate estimation little considered by the average advertiser.

This method is the only business-like way of going at the matter of selecting an agency, and will become the rule rather than the exception as the difference between the service and the price-agency becomes better understood.

A Temptation Hard to Overcome

The first temptation, of course, will be to buy your space at as low a price as you possibly can. This is short-sighted because you are buying service, and just as you don't buy men as cheap as you possibly can, so you cannot afford to buy cheap service, because if you have any use for an agency at all in the first steps of your advertising work, you certainly have use for the best.

The broker in space has nothing to sell, but the fact that he is recognized by publishers, can take your advertising copy and place it in publications wherever you may wish it put at a lower rate than you could pos-

*From Printer's Ink, New York.

Harper's Weekly

First advertising page, facing reading or illustration, **per line**	=	**$1 50**
Last advertising page, facing third cover, **per line** = = = =	=	**1 50**
Other advertising pages, per line =	=	**1 00**
Special Reading Notices, per line =	=	**2 00**

Cover Pages, rate on application

Length of column, 160 lines. Width of column, 2⅝ inches. Three columns (480 lines) to a page.

The above rates are subject to discount for either time or space (but not both) as follows:

6 insertions,	or 250 lines,	within one year				=	10%
13 "	or 500 "	"	"			=	15%
26 "	or 750 "	"	"			=	20%
52 "	or 1000 "	"	"			=	25%

Standard of measurement, Agate; fourteen lines to an inch.

Published every Wednesday.

Advertising pages close 10 *days before publication.*

Address

HARPER & BROTHERS
New York City, N. Y.

Jan. 1st, 1905.

FIGURE 2

The Broker in Space

sibly place it direct. He has nothing to offer you in the way of special knowledge of your possible buyers; he can offer you no new ideas in your follow-up work; he has no luminous suggestions to make in respect to the selection of media; in fact, he is recognized as an agent by the publishers, often to their own detriment and financial loss, who meets your proposition with a talk about price, "split commissions," which is really offering you a bribe to go against your better judgment, which tells you to get the best service you possibly can in anything of which you know so little.

It will be readily seen that the advertising agency which makes a specialty of "service" and really gives service, must employ the highest grade of talent in the man who assists you to lay out your campaign of advertising, helps you in the writing of copy, prepares the follow-up and looks after the printing of your booklets, etc. He must be a man of broad conception, quick intelligence, who can himself meet your proposition, apply the advertising remedy and act upon it in a comparatively short time.

No advertiser should, under any circumstances, take a lump estimate on a list of papers. He should insist that each publication be listed, the discounts noted and the gross and net rate indicated. No agent is ashamed to tell the advertiser just how much commission he gets and the advertiser should insist on a written agreement that the commission be paid on the absolute net rate of the publication, not the net rate according to the card and the known agency commission, *but the net rate paid by the agency.*

The Intricacies of the Rate Card

The operation of figuring rates is a very complicated one, in newspapers particularly. On another page (Figure 1) I reproduce the rate card (August, 1907) of the "New York Sun" and contrast it with the rate card of "Harper's Weekly," which shows the typical newspaper and the typical weekly paper, which may be compared with the monthly rates shown in another chapter. It is not necessary that either of these cards be analyzed here because it is not likely that they will be of any particular service, but the rates are reproduced to show how intricate and complex the figuring of rates must be for the estimation of any large campaign of advertising, when it is understood that all the special conditions that surround the rates in the different publications must be thoroughly understood by the man who has to handle anywhere from one to twenty-six thousand publications, the latter being the number of regular publications in this country.

For many years it was the custom, although now happily discontinued to a very large extent, for the advertising agencies to have a side

line, such as a type foundry, or a printing ink department, or a newspaper directory, or a house organ, through which they approached the country newspapers or the small magazines struggling for existence an recognition, offering to pay for space in their publications on the trade basis. The natural consequence of this was that the agency soon got the habit of trading its commodity for newspaper and magazine space, and then selling the latter at a discount rate to the innocent advertiser, who had entrusted it with his appropriation. It was inevitable that the interest of the advertising agent, as a seller of goods, and his interests as an agent for the advertiser as a buyer of space, would soon clash, and many of the advertising wrecks that strew the last ten years can be traced to this one graft of the advertising agency. As another writer on the subject has well said, "No agency should have anything to sell but its services, and the advertiser should thoroughly inform himself of the history and the work of an agency before he should entrust his account."

Little Side Lines

No sane man would employ a purchasing agent who was interested in a printing house to buy printing, or one to buy steel and iron if he was interested in a steel and iron mill, so no advertiser should employ an agency that is interested in the selling of space in any particular publication.

No Sane Man Would

The agency publishing a house organ must constantly labor under the suspicion of selling the space it procures in certain publications in return for publicity in its own organ to its customers, not so much because the latter need it, but because the agency needs the money.

Such agencies sometimes say to the publisher, "Take $500 worth of space in our directory or house organ and we will give you $1,000 worth of new business that you never had before, or that you are not carrying now."

Let's see how this works out.

The $500 worth of space in the directory or house organ possibly costs at a very liberal estimate the agency in actual money $100. On the $1,000 worth of new business the agency figures a discount of 15 per cent. or a net outlay of $850, from which deduct the $500 for the directory advertising and we have $350 plus the $100 cost, making $450 cash which the agency pays for the $1,000 worth of space. If the advertiser pays 10 per cent. for service he pays the agency $935. The agency thus nets a profit of $535, a very tidy sum for the mere handling of $1,000

How the Graft is Worked

worth of advertising in a medium which the advertiser probably should not have used.

To Get the Business

In order, however, to overcome the advertiser's objections the agent will sometimes cut the price, giving the advertiser a 20 per cent. reduction from the regular rates, "just to get the advertiser started." The advertiser then objects to pay more in the future. The publisher is then confronted with the necessity of continuing the use of the agent's directory or house organ in order to keep the account, and to permit the agent to cut rates, in which case the advertiser and the publisher alike contribute to the agency, without probable benefit to themselves.

Is this common practice among agencies? I am asked. Certainly not; and it is growing less and less, because advertisers have commenced to realize that they cannot afford to use space in publications that will permit their space rates to be cut.

I do not suggest either that all agencies publishing directories and house organs use their opportunities for clubbing the publishers into using their publications in the way mentioned. But he would be a peculiarly unsophisticated man who could not see that the opportunity was there, and a man dangerously ignorant of the history of agency development who did not know that it had been done.

A New Scheme

Some agencies have developed a new method of handling business. They will now take an advertising contract that is of sufficient magnitude, and put a special advertising manager in the advertiser's office. He is regularly installed in your place of business and looks after the details of the advertising work. His salary is remitted to the advertiser by being credited to the commission account. He knows he is in the employ of the advertising agency, and naturally the policy develops along the line most acceptable to the agency. Again we find that element of indirect representation pregnant with the most disastrous results.

Singleness of Purpose Necessary

It is trite to say that no man can serve two masters without serving one badly, but nevertheless it needs to be impressed upon advertisers. Advertising above all others is a game in which a man cannot serve two masters. It requires too much concentration, too much close application, too much singleness of purpose in order to accomplish the best results to permit any man, no matter how clever, bright or conscientious he may be, to serve more than one.

The advertisers, who have grown up in the business and know the subtleties and ins and outs of it, of course, would not think of permitting

Dangerous Ignorance Again

such a condition of affairs to exist in their departments. The inexperienced advertiser, on the other hand, desires to obtain the most space for his money, is anxious to save all he can, and is sometimes led into these equivocal positions where he places himself between the upper and nether millstone, with the result of inevitable disappointment, if not disaster.

To such the advertising agency in its best phase is an institution of helpfulness and practical benefit worthy of his confidence, but in its all too many phases of graft and insincerity it is a menace to his security and a source of disillusionment and bitterness, that should make him careful of his choice.

CHAPTER XXVII

THE "PUBLICITY PROMOTOR" AND THE PUBLICITY BUREAU

THE "FREE" READING NOTICE—THE EMINENT NOBODIES IT HAS FED UPON—THE AUTHORIZED INTERVIEW—ITS SUCCESS DEPENDS ON HOW LEGITIMATE IT IS—ITS TRUE TEST IS ITS NEWS VALUE—IT MUST BE NEWS AND IT MUST BE INTERESTING—WHAT WILL THE 'OTHER FELLOW" THINK?—THE INTERVIEW AND WHAT IT MEANS—MR LAWSON'S "FRENZIED FINANCE"—ITS EFFECT ON THE PUBLIC—HOW THE COUNTRY BANKER CAN USE THE NEWS COLUMNS—A BANKER'S OPINIONS—GETTING INTO PRINT—THE NEW YORK INSURANCE INVESTIGATION AND THE PRESS—IT IS NOT A MATTER OF MORALS—STORIES THAT HELP—LET YOUR ARTICLES BE TIMELY—TIRESOME EULOGIES—"THE GREATEST FINANCIER OF THE AGE"—THE BANK IN THE CITY NEEDS PUBLIC CONFIDENCE—THE BUREAU AND ITS SYSTEM—POORLY CONSIDERED CONDEMNATIONS OF BUREAU WORK—"COLLIER'S WEEKLY" EXPOSE—WHAT A BUREAU CAN DO FOR YOU—THE PENNSYLVANIA RAILROAD—HOW TO HANDLE THE NEWS STORIES—MUST BE WELL WRITTEN—THE PRIVATE CAR LINES, MR. ARMOUR AND "THE SATURDAY EVENING POST"—THE STANDARD OIL COMPANY—"THE PUBLIC BE DAMNED" ATTITUDE PASSING—A PLAIN AND ABOVE-BOARD SYSTEM

ALMOST any bank man who has experience with his own bank publications or with lines where trade paper advertising has been used, knows how the free reading notice is cherished as a precious thing. The free reading notice, however, like a good many other similar devices, has to a very great extent, outlived its usefulness. This is principally due to the lack of experience on the part of those who persist in writing "readers" as they are called.

A Thing to Avoid

Most of us have smiled at one time or another, over the reading notice that appeared in our trade paper where "Jonathan Jones, that great manufacturer, whose world-wide success has brought fame to the city of Podunk," or the one about "Wm. John Smith, who started in life as an errand boy and by the compelling force of his profound genius has carved out a place for himself in the Hall of Fame," and all the rest of that class of tommy-rot with which a purblind advertiser will persist in loading down the reading columns of his trade paper, under the fond delusion that anybody reads it, and if anybody does read it, that anybody believes it.

It is one of the long-lived inconsistencies of human nature that the vanities we have so little tolerance for in others we are very likely to enthusiastically cultivate for ourselves.

When I hear an advertiser resist the blandishment of the free reading notice, I know that he has cut his eye teeth, that he knows something about the game.

On the other hand, however, do not let us in a moment decide that the free reading notice, or a revised edition of it, has no place in the economy of advertising; indeed, the exact contrary is the rule.

The reading notice has a place in every advertising campaign and it is a power in financial advertising.

The "Inspired" Interviews of Lawson

Whether we consider the articles and interviews published over the signature of Lawson of Boston, or the "inspired interviews" that are handed, carefully typewritten, to the publishers by the capitalist who wants his exact views given to the public, we find the reading articles powerful agents in the shaping of public opinion.

Like all advertising, however, their success greatly depends upon the man who manipulates the pen.

The reading notice must have a definite reason for its existence aside from the desire to whitewash some character, or to deal in cheap compliments and gush. The banker advertising in his trade publication, who sends a reading notice about his personality and his worth, or his "standing in the community," without reference to anything that is of some vital public moment, betrays a pathetic lack of knowledge of his public. If, on the other hand, Mr. Banker sends to his trade publication an interview in which he deals with a new currency plan, or discusses farm mortgages, or makes a suggestion for the better control of corporations, he appeals to business and financial men from the side of their own interests, and his importance is gauged by the authority of his utterances and the accuracy of his conclusions. The radical difference between the reading notice that is a detriment and the reading notice that is worth while, is purely one of interest and suggestion. The reading notice that is not worth the space it takes, is the one devoted to a topic interesting only to its writer.

The Best; Is it News?

Another test of the value of a reading notice is its news value. Almost every business has news about it. In fact, John O. Powers, one of the most successful advertising men that ever adorned the profession, said that "advertising is news" and so analyzed the subject that it will be difficult to find a more comprehensive and truthful definition than his.

"Advertising is news."

It is the news of the business—it tells about its success—it is candid with its failure and it shows the public we are endeavoring to interest, just what we have that is of moment to it.

The test of any item or article is, would it be interesting enough to print if we didn't exact it of the publisher as a right?

It is important that we should not betray our self-interest in the question of the exclusion of things that will interest our possible customers.

I have already treated of the objective attitude of mind in the chapters on writing advertisements, hence there is little for me to add on that point.

Why the Small Man Escapes

It is because of the subjective attitude that the banking fraternity at large does not get close to the small man, to the great mass of humanity.

The banker of the future will frequently need to set himself right in the eyes of the public. Of a necessity his business requires that sentiment have very little to do with it. A cool head and a big heart rarely go together.

In the time of great public excitement and turmoil, he must keep cool and indifferent, and he frequently has to adopt an attitude towards public questions, where far-seeing policy is directly opposite to the short-sightedness of the people.

It isn't his cue, at such a time, however, to rush into print and call people fools.

It is neither good stewardship, because the rabble is stronger than any man—nor is it good sense, as Canute could testify, after he tried to sweep back the seas with a broom.

Neither is it a part of the banker's duty to remain quiescent when he should be doing his duty towards leading the mistaken public away from its false idols.

It is here that the new style of reading notice should be understood; which is an entirely new arrangement of this old advertising idea.

Why Interviews are Sometimes Silly

If the banker submits to be interviewed by the ordinary cub reporter who doesn't know the difference between gold and silver standards and whose idea of credit is gauged by the fact that he can get a cigar "on trust," it is likely that the cub reporter will make the banker say a great many weird and silly things.

If the state of public interest is such that the slightest deviation from accuracy and sanity is likely to produce painful impressions, the

banker should protect himself by having in his employ, or be in a position to obtain the services of "a man of ink," as Alfred Henry Lewis calls him.

This man of ink should be able to write an interview that would attract and interest the public, and which would tend to clarify the ordinary foggy condition of the public mind on economic subjects, to a sufficient extent to convince the lay mind of the value and truth of the suggestions.

He Made Things "Clear"

It is his ability to talk plainly, clearly and convincingly about the game of finance that gave Mr. Lawson's articles on "Frenzied Finance" their tremendous effect. For the first time in America a man came out in print and took this great, foggy, confusing question of finance, and with an air of easy familiarity, showed the people that it wasn't a very hard game, it wasn't a very noble game and it wasn't a very edifying game—yet he made many things clear.

For the first time the doors were thrown open and the public went in to see, as children rush in a great coliseum to see strange sights.

They went to be educated; they stopped to wonder, and then to rage.

Mr. Lawson is one of the cleverest press agents of this country.

His articles on "Frenzied Finance" were informed with luminous insight into human nature, a comprehensive grasp of stock market conditions, a remarkable memory for facts and figures, and over it all, an ability to make these facts and figures live and throb with human interest.

Whether fictitious or not, Mr. Lawson made his descriptions real. He made people *think* they understood what he was talking about. He put enthusiasm, mental energy into every line, and if he sometimes overshot the mark in the estimation of cooler heads, it must be remembered that he was painting with a broad brush for the benefit of those who are conscious only of the effect of the big stroke.

Having shown the difference between the old and the new styles of reading notice, let us turn to the application of these ideas to the country as well as the city bank.

The Country Banker's Advantage

The country banker is lacking in many of the advertising advantages of his city brother; on the other hand, however, he requires less in order to make a success. While the amounts at his disposal are smaller, his responsibility is equal, judged from the standpoint of his load of human weal or woe.

The average country banker, however, does not widen his influence enough. He lets himself be walled in by geographical limits of his township or county. In reality the country has no more limit in his activity than the city banker.

There are men who want money a thousand miles away as well as those a step from their door.

This is the theoretical side of the case.

The practical side is—how can I reach the people a thousand miles away?

Printers' ink, is the answer.

A Certain Amount of Potential Power

A certain amount of advertising should carry with it a certain amount of potential power. For instance, if I spend $200 a year in a newspaper, I have prepared the way by which, if I know how to use it, to afterwards get a thousand dollars worth of space for nothing, but I must understand newspaper work, what news is, and I must understand what the editorial policies of my publications are.

This calls for an equipment that the average banker has never sought, because deep down in his soul the old style, conservative banker has a contempt for public opinion and an intolerance, born of fear, for the newspaper. This is due to a very large extent to the banker not knowing how to use the newspaper, and the newspaper too frequently could not use the banker.

In reality, however, they are two complementary forces that should strive unitedly for stability of economic conditions and confidence in the home, the office and the factory.

The president of the bank, as the editor, should enter heartily and thoroughly into the commercial activities of his town or city. He should believe in his town and he should back up his belief.

If there is a new industry coming to town, he should express his welcome and seek an opportunity to co-operate.

If there is a movement to put new street car lines in the city the banker should be interviewed on the subject.

Living Topics

If there is a movement to put up a new city block, build a new court house in the county, the banker should have ideas on the subject.

If he has seen new and better things in another town, he should come home and talk about it.

The average banker will throw up his hands in horror at these suggestions. His idea of publicity is, it is the most terrible thing in the world, whereas it is the most compelling.

Publicity is Compulsion

Why, doing such things as this, will sometimes interfere with the plans of the members of a board of directors who desire to invest. Perhaps the president is interested in the stock, or wants to be.

Think how foolish it would be to bull stock you wished to buy!

Very well—even entering into the activities does not mean that you should speak on all subjects. If you cannot be true to your own interests as an investor, or to those of your little coterie of friends, and be helpful to your bank and your city, that question is one of ethics for you to settle, but advertising means something else.

Whenever his statement is issued the banker should have something to say about it. He should call attention to its favorable features and to the general prosperity of his city or district. This statement should tell the truth, and that is another point that should never be forgotten.

Never Forget It

Editors will welcome these interviews, suggestions and articles because they will be valuable contributions to the news columns. This method gives authority to everything that comes from the banker's desk. The public, the papers, know that this is the real voice of the bank speaking. They know that this voice is expressing the ripe judgment and best thoughts of men who know.

The public begins to comprehend what that voice stands for, and the public has then an opportunity to make up its own mind.

During the recent insurance investigations in New York, column after column of matter was sent out by the insurance companies in their endeavor to stem the tide that set against them.

It was too late.

The reports of the investigations proved there had been a systematic misrepresentation in the statements of facts and figures sent out from the insurance companies and the greater papers did not dare to print the inspired articles without quotation marks.

They Didn't Dare

The insurance companies should have started long before that crisis was forced upon them, to be plain and outspoken in their interviews. The articles should have contained facts and not the dreams of scribblers.

Some Lessons From Bitter Experience

It was the same old attitude of the financier. "It is better not to talk at all than to dodge the issue," should be displayed over the desk of every business man who handles the press work for a financial, insurance or other corporative interest.

I do not lay down this rule from the standpoint of morals.

Let us leave morals entirely out of the question. It is a matter of business.

The country banker desiring to reach the outlying sections of his district, should have his interviews typewritten and five or six copies mailed to the editors of as many different journals. If the interviews have point to them, if they are a live contribution to the discussion, if there is in them matter of public interest, they will no doubt be featured and displayed. The bank thus gets advertising among all classes of people.

One Thing You Can Do

If a new vault is put in the bank it gives an opportunity for a talk on vaults and the latest facts and figures about safe cracking, yeggmen and bank burglars. The article can be made interesting by showing the difference between the vaults of today and the vaults of fifty years ago. Illustrations should be used and the subject affords an opportunity to get a column in almost any daily or weekly paper in which the bank advertises. Data can easily be obtained from the safe manufacturers. The main point in such an article is not to "drag in by the heels" at the tail end of the article, some complimentary allusion to the president, or a list of the officers or a condensed statement of its financial condition. You are writing an article about "vaults." Let the sole excuse for the article be "vaults" and be satisfied to know that people will talk more, that they will know more, that they will think more about the vaults of *your* bank than any other bank, and that whenever vaults are mentioned they will recall the vaults in *your* bank.

There is a Tomorrow

Don't try to put all of your story in one article. There is going to be an issue of the paper tomorrow and the day after, and if you are sharp and shrewd, you can make another opportunity just as good as this.

Of course, the opening of a new bank building should call for pictures of the bank and the officers, but it should not be arranged as a page write-up, but as a matter of news, just as if a political gathering, or a convention of manufacturers, had been reported.

When your president goes to the state bankers' association and says anything, his speech should be reported in every paper in which the bank carries advertising.

Be Frank—and Truthful

It should not be reported as the "remarkable utterances of the greatest financier of the age," but it should be treated as a speech, just as is given out such a relatively commonplace matter as a speech by the President of the United States.

Treat it as an every day occurrence that the banker should have a few ideas of his own, not as a great discovery that must be trumpeted abroad with the roar of a 12-inch cannon.

If the local banker is a man widely interested in other lines of business, every paper should be furnished with a good zinc etching of his physiognomy or a half tone for use in emergencies.

Each paper should also be furnished with authoritative data about his birth, his various interests and his life.

This is in order that the newspapers may deal with facts and not fancies.

Make Friends With the Editor

In a small town the local banker can always make arrangements with the local editor, or some member of his staff, to prepare these authoritative articles, and to look after the interests of the bank by furnishing articles to the papers within the radius of the bank's activity.

The city banker, on the other hand, in New York, Chicago, or any other metropolitan city, has a natural radius of activity covering a large section of the entire country. He not only must speak for his broader field, but his interviews must have an effect upon his country correspondents in the remoter sections. Appreciating this and the great force wielded by the thousands of a public that may be interested in his views he employs the best talent to look after his interests.

In some cases the cashier, or some other responsible official of the bank, is the "voice of the house."

In many cases, however, the actual work is given to a man trained in the arts of publicity.

Financiers very frequently employ the publicity bureau.

The publicity bureau is the refinement on the advertising agency. The advertising agent buys and sells advertising space, openly and candidly.

TOWN	NAME OF PAPER	CIRCULATION	DATE OF ISSUE	POLITICS
		650	Wkly	Dem
1167 10379 C M St P	Owner & Ed	Infl small 2nd paper Farmers Weak Eds 1.50	Sat 8-	Anti-beef Anti-Oil Anti-Harvester Anti-corp Anti-Rep machine Pro-R R Pro-Roosevelt
S D Is weak and bibulous man. Tractable to R R Suggestions. Many Bohemians in region. Rich county. Junction town.				

FIGURE 1

The publicity bureau, on the other hand, endeavors to hide its hand and office from the public.

The bureau by its dexterity and success in keeping out of the public eye, gains or loses its customers.

The Efficiency of the Bureau

The editor of the publication is the point of its attack and he, being theoretically free of the trammels of the business office, is in a position to give unbiased judgment on the merits of the bureau's performance.

The efficiency of the publicity bureau lies in its organization.

The bureau employs the most capable writers it can obtain, men who have the business sense largely developed and yet are expert observers of men and conditions, and have the ability to make the uninteresting thing interesting.

The bureau will engage to obtain for a bank, a certain individual, a patent, a factory, a specialty, or almost anything in which the slightest public interest may be aroused, a greater or less number of columns of reading matter in the daily papers of the country.

These columns of reading matter are frequently obtained without reference to advertising.

What the Bureau Wants to Do

It is true that the reading matter is sometimes very far removed from candid advertising, but the publicity bureau's main object is to educate the public, to arouse interest in a personality or a product, and to place before the public the authoritative facts and figures involved in any public movement.

This service calls for the minutest knowledge of the publications of the country, their editorial and business policies, their positions on questions of finance, social economics, the tariff; in fact, the publicity bureau must be organized to be in sensitive contact with the personal side of every medium it can use.

The system involved in this is somewhat elaborate.

The System

For instance, the bureau will maintain a perfectly classified card index, in which will be found every publication in the country, with the name of the editor, publisher, advertising managers, stockholders, personal bias and morals, etc.

When Collier's Weekly was "exposing" the source of the propaganda against beef, municipal ownership, etc., it published one of the

PAPERS SERVED BY

William Wolff Smith, Newspaper Correspondent, Washington, D. C.

City.	*Population. (Census 1900.)*	*Paper.*
ALABAMA.		
Mobile	38,000	Register.
CALIFORNIA.		
Oakland	67,000	Enquirer.
San Jose	22,500	Mercury.
COLORADO.		
Colorado Springs	21,000	Gazette-Telegraph
Cripple Creek	10,000	Times.
Leadville	13,000	Herald-Democrat.
CONNECTICUT.		
Ansonio	13,000	Sentinel.
Meriden	24,000	Record.
New Haven	108,000	Union.
Waterbury	30,000	Democrat.
Winsted	10,000	Citizen.
DELAWARE.		
Wilmington	77,000	Journal (Daily). Sun (Weekly).
GEORGIA.		
Augusta	40,000	Herald.
ILLINOIS.		
Danville	17,000	Democrat
Decatur	21,000	Review.
Joliet	30,000	Republican.
Moline	18,000	Dispatch.
Peoria	57,000	Star.
Rockford	27,000	Republic.
Springfield	34,000	State Register.
INDIANA.		
Anderson	21,000	Herald.
Lafayette	19,000	Courier.
Marion	18,000	News Tribune.
Michigan City	15,000	News.
Richmond	19,000	Sun-Telegram.
IOWA.		
Burlington	24,000	Hawkeye.
Cedar Rapids	26,000	Republican.
Clinton	23,000	Herald
Dubuque	37,000	Telegraph.
Ottumwa	19,000	Courier.
Waterloo	14,000	Courier.
KANSAS.		
Wichita	25,000	Eagle.
KENTUCKY		
Lexington	27,000	Leader.
Paducah	20,000	News-Democrat
MAINE.		
Lewiston	24,000	Sun.
MASSACHUSETTS.		
Fall River	105,000	Globe.
Gloucester	27,000	Cape Ann News.
New Bedford	60,000	Standard.
Newburyport	15,000	News.
North Adams	25,000	Herald.
Northampton	19,000	Gazette.
Pittsfield	21,000	Berkshire Eagle.

City.	*Population (Census 1900.)*	*Paper.*
MICHIGAN.		
Grand Rapids	85,000	Post.
Kalamazoo	23,000	Telegraph.
Menominee	13,000	Herald-Leader
Port Huron	25,000	Times.
Saginaw	13,000	News
MISSOURI		
St. Joseph	104,000	Gazette
MONTANA.		
Great Falls	15,000	Gt. Falls Tribune
NEW JERSEY.		
Camden	75,000	Post-Telegram.
Elizabeth	53,000	Journal
Newark	247,000	Advertiser
Passaic	25,000	News
Paterson	125,000	Guardian.
Trenton	[illegible]	True American.
NEW YORK.		
Albany	95,000	Times-Union
Binghampton	40,000	Herald
Corning	12,000	Leader-Democrat
Elmira	36,000	Star.
Jamestown	25,000	Journal.
Schenectady	[illegible]	Gazette
Watertown	22,000	Standard
NORTH CAROLINA.		
Asheville	15,000	Gazette-News.
Charlotte	19,000	News
Raleigh	13,000	News and Observer
NORTH DAKOTA.		
Fargo	10,000	Forum.
OHIO.		
Canton	30,000	News Democrat
Dayton	85,000	Herald
Hamilton	24,000	Republican-News
Sandusky	20,000	Star Journal
Springfield	39,000	News.
OKLAHOMA.		
Guthrie	11,000	State Capital.
PENNSYLVANIA		
Chester	27,000	Times.
Columbia	10,000	News
Erie	40,000	Dispatch.
Harrisburg	30,000	Star Independent.
Johnstown	21,000	Democrat
McKeesport	21,000	News
Reading	58,000	Times
Scranton	75,000	Times
York	21,000	Gazette
SOUTH CAROLINA.		
Charleston	55,000	Post.
Columbia	15,000	State.
SOUTH DAKOTA.		
Sioux Falls	10,000	Argus-Leader.
WASHINGTON.		
Seattle	31,000	Star
Tacoma	38,000	News.
WEST VIRGINIA.		
Parkersburg	12,000	News.

U. S. TOBACCO JOURNAL, NEW YORK CITY, AND OTHERS.

FIGURE 2

cards which is shown in Figure 1. At the same time Collier's published (Figure 2) a list of publications to whom a single correspondent sent a Washington letter. This list is quite formidable and it can be readily appreciated that the correspondent has an excellent opportunity to serve what cause may appeal to him.

What the Bureau Can Do

If a corporation, having large interests in the state, wishes to influence public opinion for or against a public question or a matter of public business, the publicity bureau is in a position to place before the corporation's officials certain definite data relative to the publications in that state.

The bureau will then engage, for a certain stipulated sum of money, to prepare a series of articles and place these articles "where they will do the most good."

It frequently happens that for a single order ten or fifteen different articles will have to be prepared for as many different publications, each article being prepared with that knowledge of the editorial bias that will make it acceptable to the mind and policy of the particular editor to whom it is addressed.

The bureau will engage to send these articles out to newspapers at a given time. It will send a man to act as your representative with publications.

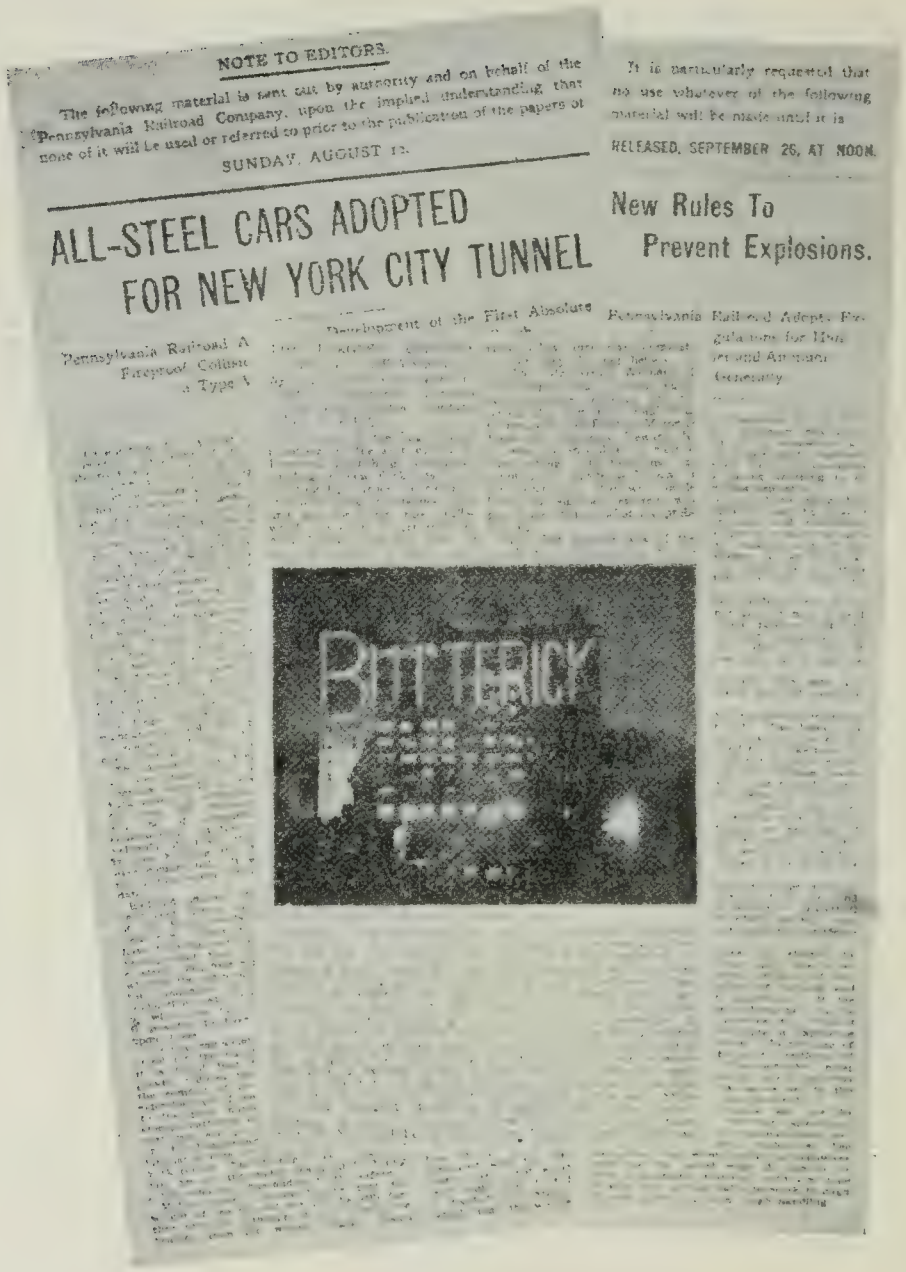
Buy Brains—Not "Influence"

He will prepare all interviews, study market conditions, prepare booklets, advertisements, see that the magazine editors have a chance to get the latest photograph of the men prominent in your work, engage the most expert writers to write about you and yours—your home, your wife, your family, your dogs and horses, your pictures, your yacht and your trips abroad and to the hunting fields.

He will create a reputation and a character for you. He will fight misrepresentation and hound a lie to its grave in some obscure corner of the arid deserts of Arizona. He will have at his call the best artists, the best writers and the necessary money to buy space where he cannot get it for nothing.

He will make the whole country ring with your name, and organize the effort so well that it will seem like a spontaneous outburst of interest growing gradually from little to much.

Even your worst enemy will probably admit that he does his work cleverly because there will be blame mingled with praise, acute reading



NOTE TO EDITORS.

The following material is sent out by authority and on behalf of the Pennsylvania Railroad Company, upon the implied understanding that none of it will be used or referred to prior to the publication of the papers of

SUNDAY, AUGUST 12.

It is particularly requested that no use whatever of the following material will be made until it is

RELEASED, SEPTEMBER 26, AT NOON.

ALL-STEEL CARS ADOPTED FOR NEW YORK CITY TUNNEL

New Rules To Prevent Explosions.

FIGURE 3

of faults with just appreciation of the good points. He will make you a living, human being.

He will use the mails to send an interview when that suits, or he will use the telephone or the telegraph if necessary.

Any one who has seen a press bureau of a national campaign committee in operation will know something of the process of creating characters and reputations by the means of brains and printers' ink.

Necessarily this kind of service is expensive when compared with the cost of the service of advertising agencies. Equally well, however, is it known that this kind of service is productive of results.

The Pennsylvania Railroad

For instance, the Pennsylvania Railroad Company employed a publicity bureau to keep the public informed on the progress of its great tunnel project at New York City. When it was finally decided that steel cars could be used in the tunnel the publicity bureau sent an interesting article under the general title of "All Steel Cars Adopted for New York City Tunnel" (Figure 3), to a number of newspapers.

This article was sent to three or four thousand newspapers throughout the country. In order to prevent premature publication which would cause many papers to ignore it, at the top of the printed sheet containing the article was this note to editors:

> The following matter is sent out by authority and on behalf of the Pennsylvania Railroad Company, upon the implied understanding that none of it will be used, or referred to, prior to the publication of the papers of Sunday, August 12th, 1907.

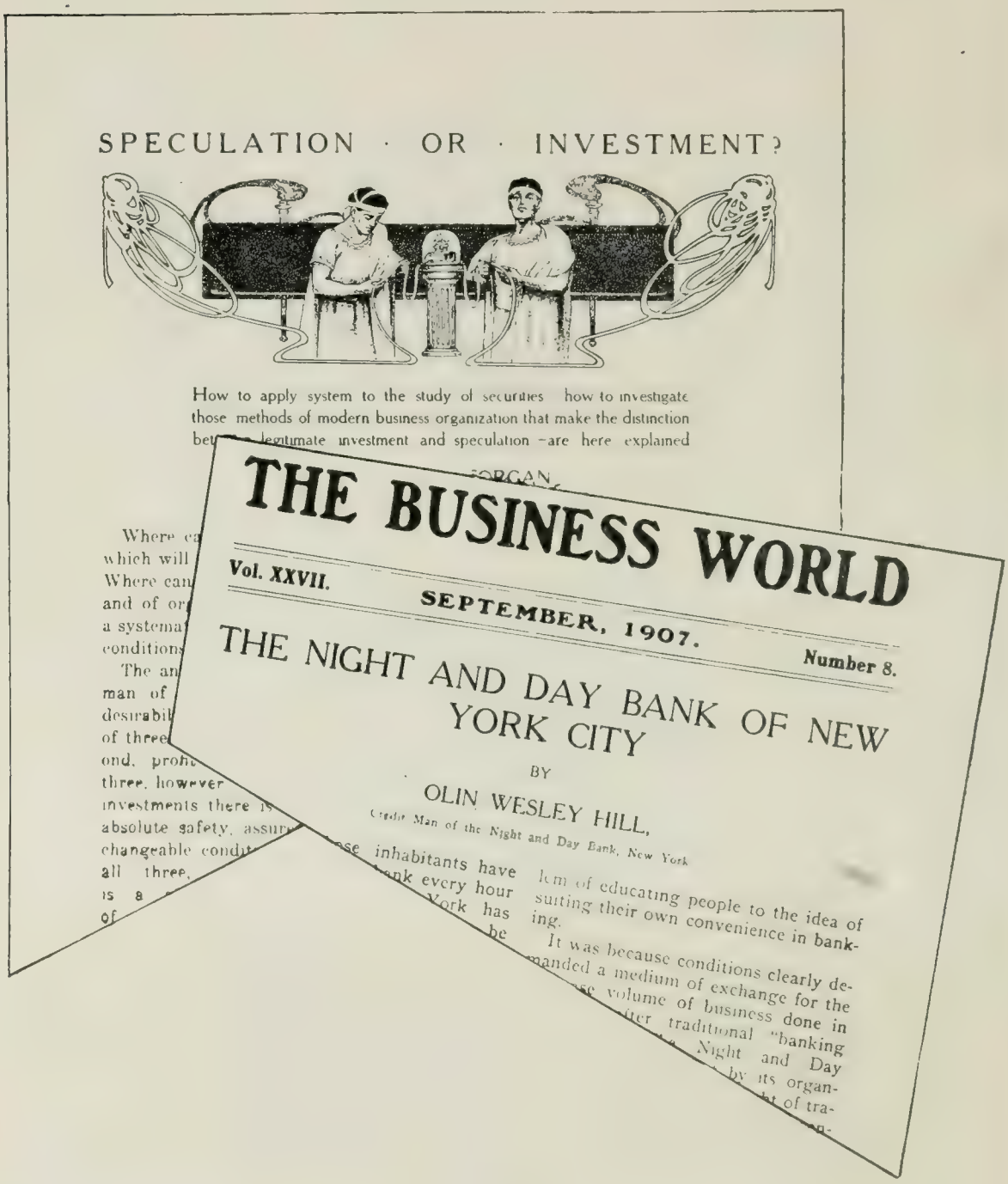
Two Thousand Papers Used It

This insured among editors a general observance of the request and on Sunday, August 12th, of the papers which have Sunday issues, it probably appeared in seventy-five or a hundred, and it maybe two or three thousand the following Monday, as an article of interest, to all intents and purposes, prepared by a national correspondent in New York, or as a special article by one of the staff of some newspaper.

The Pennsylvania Railroad Company, however, does not attempt to work in a lot of talk in the article about its fast train service, its wonderful road-bed, or any more direct advertising.

It is a talk about the steel cars in the New York tunnel; the experiments that have been made to perfect the safest system, the use of all-steel cars on railroads, etc.

Suppose, on the other hand, a bank official in the city of Cleveland desires to talk on how rates of interest are determined in savings banks,



SPECULATION · OR · INVESTMENT?

How to apply system to the study of securities how to investigate those methods of modern business organization that make the distinction bet legitimate investment and speculation —are here explained

THE BUSINESS WORLD

Vol. XXVII. SEPTEMBER, 1907. Number 8.

THE NIGHT AND DAY BANK OF NEW YORK CITY

BY

OLIN WESLEY HILL,

Credit Man of the Night and Day Bank, New York

inhabitants have lem of educating people to the idea of
ank every hour suiting their own convenience in bank-
York has ing.
be It was because conditions clearly de-
manded a medium of exchange for the
volume of business done in
ter traditional "banking
Night and Day
by its organ-
of tra-

FIGURE 4

Styles of publicity articles that are acceptable to magazine editors.

and wishes it to appear in the newspapers. Instead of starting out to comment on the size of his trust company and the "great financial genius who presides over the bank," he would inform the people how rates are determined by the business activity and demand for money. Of course, incident to the subject, he would tell why a trust company of Cleveland paid 4 per cent. on savings; he would give some facts and figures of the money attracted to Cleveland; how it made the business of Cleveland more productive. He would draw the distinction between Cleveland as a four per cent. town and Philadelphia as a three per cent. town.

Take Ohio As an Example

Suppose the banker should have this interview set up in type, printed on one side of a slip of paper and sent out to 1,000 publications in the State of Ohio, I venture to say that 100 newspapers would print it. That would more than repay him.

Many newspapers would not print it, because they would probably be three per cent. towns, others would probably ask for remittances covering the matter "at regular rates."

The publicity bureau very frequently serves trust companies or investment houses by creating public interest in certain stocks and bonds, and it can help very materially in creating a good impression as to the prosperity of a section of the country, a company or a line of business.

The failure of a bank is generally heralded abroad, whereas a little attention paid to the subject by bankers would prevent a bad impression if the interests involved worked in unison, through a quick acting central bureau empowered to use the telegraph.

At the Court of Public Opinion

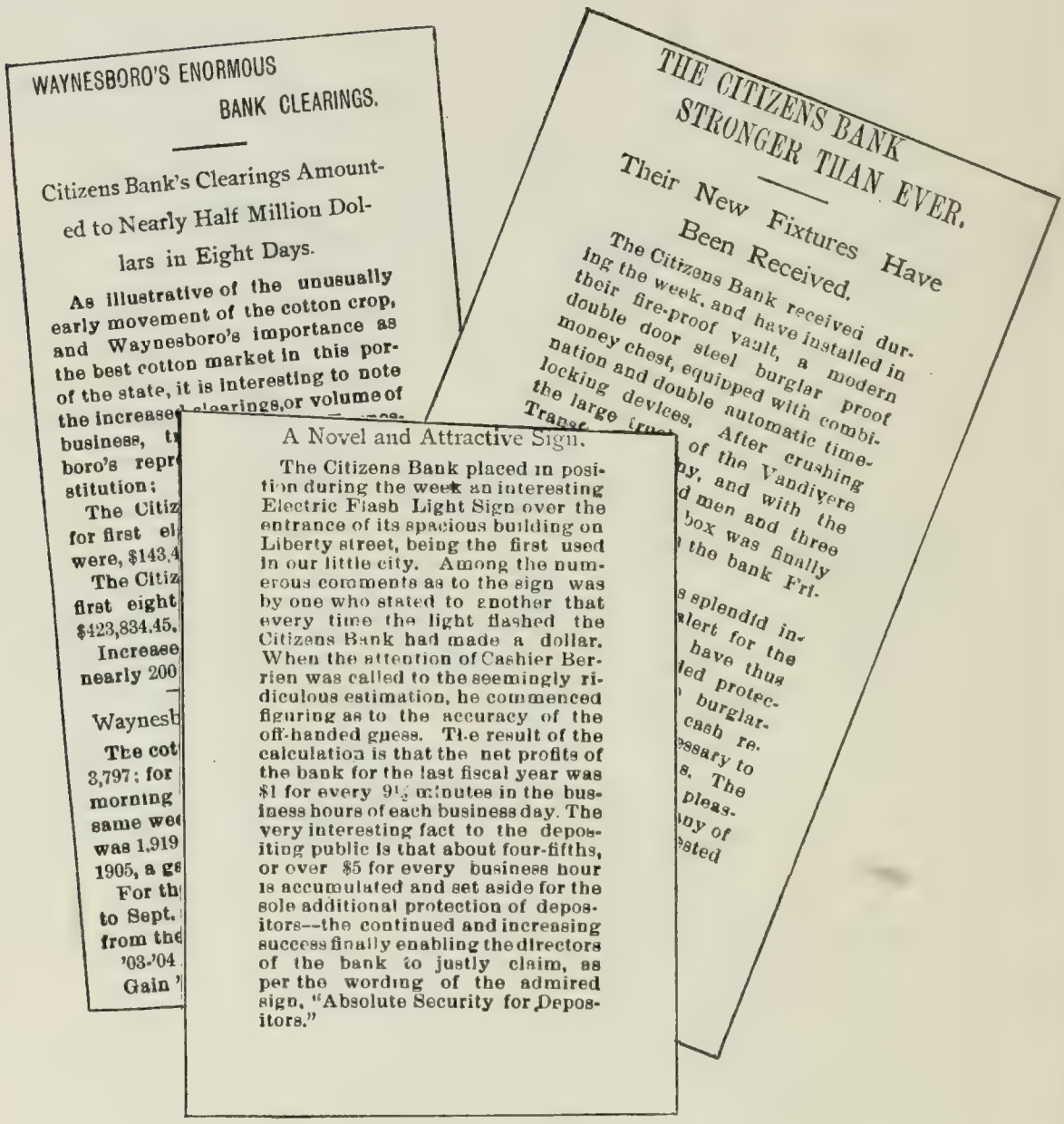
The publicity bureau is an authoritative source of information; it is the professional representative at the court of public opinion.

It prevents misrepresentation, because it gives the one who uses it the opportunity to say exactly what he means—no more, no less.

We find this the case, for instance, in the investigation of the Chicago meat packers and the private car lines.

J. Ogden Armour contributed a series of articles on the packing industry to "The Saturday Evening Post." These, it was tacitly admitted, expressed the sentiment and feeling of the car line interests. They were so accepted by the public and did a great deal towards overcoming adverse sentiment.

The National Cash Register Company, Dayton, Ohio, has used the publicity bureau service for creating interest in its "welfare work," with



WAYNESBORO'S ENORMOUS BANK CLEARINGS.

Citizens Bank's Clearings Amounted to Nearly Half Million Dollars in Eight Days.

As illustrative of the unusually early movement of the cotton crop, and Waynesboro's importance as the best cotton market in this por- of the state, it is interesting to note the increase clearings, or volume of business, t boro's repr stitution;

The Citiz for first el were, $143,4

The Citiz first eight $423,834.45.

Increase nearly 200

Waynesb

The cot 3,797; for morning same we was 1,919 1905, a ga

For th to Sept. from the '03-'04 Gain '

THE CITIZENS BANK STRONGER THAN EVER.

Their New Fixtures Have Been Received.

The Citizens Bank received during the week, and have installed in their fire-proof vault, a modern double door steel burglar proof money chest, equipped with combination and double automatic time-locking devices. After crushing the large tru of the Vandivere Transf ny, and with the d men and three box was finally the bank Fri-

s splendid in- alert for the have thus led protec- burglar- cash re- essary to s. The pleas- ny of sted

A Novel and Attractive Sign.

The Citizens Bank placed in position during the week an interesting Electric Flash Light Sign over the entrance of its spacious building on Liberty street, being the first used in our little city. Among the numerous comments as to the sign was by one who stated to another that every time the light flashed the Citizens Bank had made a dollar. When the attention of Cashier Berrien was called to the seemingly ridiculous estimation, he commenced figuring as to the accuracy of the off-handed guess. The result of the calculation is that the net profits of the bank for the last fiscal year was $1 for every 9½ minutes in the business hours of each business day. The very interesting fact to the depositing public is that about four-fifths, or over $5 for every business hour is accumulated and set aside for the sole additional protection of depositors—the continued and increasing success finally enabling the directors of the bank to justly claim, as per the wording of the admired sign, "Absolute Security for Depositors."

FIGURE 5

Clippings from the newspapers. The Citizens Bank of Waynesboro, after the publication of its reading notices in the town paper, has them reproduced on small slips and uses them for envelopes slips.

—*Courtesy of Colliers.*

the consequence that thousands of visitors have gone to Dayton to see the N. C. R. plant, where there is just enough of the welfare work realized in actual practice, to make it interesting and attractive to the visitor who goes forth to become a walking advertisement for the National Cash Register.

Edison's inventions, Marconi's wireless telegraph, and Krupp's inventions, are all handled by men who make a specialty of creating interest through the reading columns of newspapers.

The Standard Oil Company has long had an organized bureau for this work, and it is said the manager draws $20,000 a year for his services. The Standard Oil Company uses very little advertising space, but makes a specialty of having its interviews authoritative and complete.

What Morgan, Harriman, et al Have Needed

Frequently such men as J. P. Morgan, Mr. Corey of the U. S. Steel Company, E. H. Harriman of the railroad corporations, have needed, if men ever needed, a well organized publicity bureau. Mr. Morgan has long been notorious as a man who cared little for public opinion and "less for the makers of it." The natural consequence has been that he is one of the most misrepresented men in the country, and railroad interests have been equally unfortunate because of the attitude their officials have adopted towards the public.

"The Public Be Damned" spirit is shortsighted as must appear in the light of the drastic legislation of 1906 and 1907, and it is realized that when the public takes a little heartfelt interest in any corporation or any bank, no matter how big, it can do it irreparable injury.

The publicity bureau as an institution has had a black eye. That is due to ignorance and some bad practice, and service in the interests of unpopular and unprincipled ventures.

The Character Thugs and Grafters

Of course, there are organized bands of character thugs who, for a price, will cry up or down anything you want. They thrive best in large cities, and are the fly-by-night harpies of the great speculative centers.

By bribery and chicane they obtain the secrets of competing houses —they publish in the gutter press of such places—the suggestive "it is said," "it is reported," "we hear whispers,"—the gossip, the inspired hatred of their employers. In a business so highly sensitive to the passing breath of gossip as the world of speculation, these men drive a lucrative business until they have to escape the wrath of honest men.

A Felony

Since the courts have made it a felony to circulate untrue reports about the credit, or the standing of a corporation, these men have had less to do.

The mere fact that such concerns exist demonstrates the value of effective organization for proper purposes.

There should not be any misunderstanding as to how a publicity bureau works.

It is not a quiet, gum-shoe method of sneaking articles into newspapers while the editor is asleep.

It is a plain, above-board, fair-and-square, legitimate system of handling authoritative information. That there are "bureaus" or individuals whose services may be used for illegitimate ends goes without contradiction, and so there are advertising agencies that will be found willing and anxious to handle fake stock companies.

What the Editors Want

Editors want news and they want attractive news. Editors cannot possibly keep in touch with all the activities of the world. They welcome the work of the publicity bureau because, in a great corporation, there is always the danger of the most conscientious reporter getting hold of the wrong man, who may, unintentionally, give him an entirely erroneous impression of a given condition.

Most of the bad things said about corporations, most of the adverse public sentiment relative to railroads, is entirely due to the notorious indifference to such sentiment of railroads, banks and corporations.

The public, greedy for information, has been the victim, in many cases, of the most absurd misrepresentations.

Within the past two years the corporations, banks and railroads have generally awakened to a realization that they have been tried and condemned without a hearing, and that public sentiment has been turned against them.

Not Surprising

These interests should have done what the insurance companies are now doing—talk to the people as though the people had an interest in the money they spend.

In another chapter I have treated of the force of personality in advertising, and suggested some features that should distinguish the advertising of all banks, trust companies, etc., but it is through this

particular kind of publicity that the personality, the creation of a real personal entity in the public mind, can best be accomplished.

When this has become generally recognized and adopted the time will pass when the people will refer to corporations as soulless, and merely because a number of men band themselves together for a common purpose, it will not be considered as evidence of their desire to prey upon the rights of others.

CHAPTER XXVIII

COMPETITION AND HOW TO MEET IT BY ADVERTISING

WHAT YOU ARE ENTITLED TO—THE DEAD AVERAGE OF INCREASE—COMPETITION HAS AN ETHICAL SIDE—ROSS COMPETITIVE RULE—SERVICE SURVIVES—PARTIALITY AND PULL WILL LOSE—LOCAL COMPETITION—YOUR COMPETITOR IS YOUR BEST FRIEND—EXCHANGE OF LEDGER EXPERIENCES—A GREAT REALIZATION OF CO-OPERATIVE COMPETITION—A GEORGIA BANKER'S TESTIMONY—THE MAIL ORDER BANK—THE COUNTRY BANKER—PERSONAL EQUATION LARGE—SERVICE ALL-IMPORTANT—THE SHREWDEST AND CRAFTIEST MEN IN THE BANKING BY MAIL BUSINESS—SERVICE AGAIN THE BULWARK AGAINST OUTSIDERS—THE LOCAL BANKER SHOULD SERVE LOCAL INTERESTS FIRST AND LAST—WHAT DO YOU GIVE TO THE LOCAL BANKER—SOME BANKERS TALK TOO MUCH ABOUT THEIR CUSTOMERS—THE COMPETITION OF THE TRUST COMPANY WITH THE BANK—A KANSAS TRUST COMPANY REPRESENTATIVE SHOWS WHY TRUST COMPANIES ARE GOING AHEAD—GET IN TOUCH WITH THE LOCAL CONDITIONS AND PEOPLE—WHY THE LARGE BANK MISSES THE SMALL DEPOSITOR—COMPETITION IN A CITY TERRITORY—ORGANIZATION FOR SERVICE—A CHICAGO BANK—MAIL ORDER HOUSES GETTING DEPOSITS—RUNNING TO LAW—FAKE INVESTMENTS—THE GOLDFIELD GRAFT—THE STORY OF A LOCAL BANKER WHO WOKE UP—PAPERS THAT ACCEPT FAKE INVESTMENT SCHEMES—LOCAL BANKER MUST FIGHT—DEPARTMENT STORE BANK—THE PRIVATE BANK—AN INDIANA EXPERIENCE AND ARGUMENT—HOW TO WRITE COMPETITIVE ADVERTISING—THE EXPRESS COMPANY'S COMPETITION—HOW A KANSAS CASHIER MET THE EXPRESS COMPANY—WHAT AN OLD BANKER THOUGHT OF THE DEPARTMENT STORE—THE BANKER'S ATTITUDE—ANALYSIS OF COMPETITIVE ADVERTISING

AT ANY stage of your career there is just so much money that your bank reasonably expects to obtain from a community.

You are entitled, however, to every penny that isn't actually required in the conduct of the cash business of a city, a town, or environing country.

The banker who, at any stage of his progress, placidly sits down and says that he is perfectly satisfied, is not in harmony with progressive methods in the banking business, and is not calculated to get for the stockholders that measure of financial success which is due a business organized on a basis of business getting.

Banking a Business for Profit

The average banker considers business well done when he maintains a certain dead average of increase in his deposits and succeeds in keeping the money reasonably active. But none of the large banks have been built up on this principle. The business for last month has always been considered an incentive for a larger increase next month. It should not be forgotten that banking is, after all, a business; that you are in business for profit; that you are in business to deepen the hold of your bank upon the public faith and confidence; to make it grow so that more people are enabled to help more people.

Ely, Michaeli, Bascom, on Competition

Competition has an ethical side as well as a business side. Some will tell you that competition is not law, but lawlessness, and they assert that the gospel of success is the great insanity of modern materialism. Professor Ely in his "Evolution of Industrial Society," contrasts this statement with Richard Michaeli's suggestion that, "Competition was the gigantic motor that caused nearly everybody during the first nineteen centuries of Christian civilization to use nearly all their mental and physical powers to get ahead." John Bascom, in his book, "The Moral Discipline of Business," says: "Competition is not crowding men off their feet, but a means of planting them upon their feet."

Paraphrasing Professor Ross's* paragraph on competition, some, alive to the pace setting power of the "twentieth man" stigmatize competition as deteriorating and cry out that it is idle to expect improvement until the competitive system is abolished. This would be pouring out the baby with the bath. When bankers refuse to do their full duty, or lyingly advertise, or have favors for their friends only, or employ underpaid help, they follow the downward path. When they eliminate the incompetent business man, the dishonest sharper, help the capable, honest man, install the best men, they follow the upward path. Collective industry (Socialism) would avoid the downward path, but it might not follow the upward path. The true policy is to fence off the downward paths and leave competition free to spur rivals into the upward path.

If I take a higher ground than is usually associated with the idea of competition, it is because I consider that banking has an ethical side that in no way interferes with its business success, because the highest service banking can perform is service to the community. As it more nearly and definitely realizes what this service shall be and in what way it can best accomplish it, banking obtains the more abiding faith and support and thereby a greater business from the community.

He Who Best Serves

I believe, further, that in competition that banker obtains the best results who best serves the community, and who lets the community know that his service is superior. I shall leave out of the question of competition the banker who, instead of attracting to his doors the concern that merits and needs assistance, or the depositor who wants a place to keep his money without fear and without favor, attempts by special inducement, by illegal rates of interest, by subsidizing business, to bolster up a declining revenue and a negligent system.

*"Sin and Society," by Prof. Edward A. Ross, professor of Sociology in the University of Wisconsin.

Competition in the banking business is of two kinds; one conducted on ethical and business-like lines on the true basis of service; the other based on special fees, a thing of partiality and of special pull. We shall consider these two types separately and distinctly. The first we will discuss as a positive force in the making of better banking conditions and the growth of better banks; the second as a force in the creation of forces inimical to banking as a whole.

Your Local Competitor Your Friend

Let us consider the matter from a local standpoint. If your local competitor is a fair, just, able business man, he is your friend and not your enemy. He stands for the same things that you do, and the sooner you two get together the better. It is not necessary that you should tell him all you know or assist him to your own undoing, and by the same token, however, there are many times when you will have to stand shoulder to shoulder in fighting for a common cause. There is going to be less and less of unprincipled competition in all lines of business, and more and more of the realization that just in proportion as we fully realize in every act and performance of the day, the complete "thou shalt not" of good banking, we bring all banking into greater favor and prestige.

Men in every line of business are realizing that it is to their interest to get together to compare notes. Within the past few years there has been a wonderful change in the processes of granting retail and wholesale credit. Five years ago if one merchant had approached another and asked him to give his ledger experiences for the benefit of the local business community, he would have been laughed out of town. The man questioned would have said:

"What! Tell you who are good pay and who are bad pay? Tell you what I know about them from my own books! Why, man, that is what *I* have paid for; it represents what I have lost thousands of dollars to find out; that is, to know what people in this community pay their bills and what do not."

Theoretically, at least, this would have been recognized as the proper attitude, and it would have been shared by all.

Service Holds Trade

Today, however, we have an entirely different condition. Business men are commencing to realize that service is the thing that holds trade. It is not alone the knowledge of who pays bills and who will not pay them that makes business men successful, but it is the realization of what

the people want and what is the best manner of giving it to them. This credit information is now passed from hand to hand, making it difficult for the dead-beat or the chronic debtor to find anybody who will trust him. The retailers have realized that no one of them can afford to keep so complete a credit department, so thoroughly organized, that it can approach the efficiency of this method of exchanging ledger experiences. The method has won out. It has accomplished wonders for the retail and wholesale trade; it has made cleaner and better business. Along the same lines the banks have co-operated to a certain extent, and there is a greater co-operation inevitable among those who realize the tendency of public opinion and the requirements of clean banking.

Discussing this topic recently, A. M. Knight, cashier of the First National Bank of Waycross, Ga., made the following observations:

Experience of Mr. Knight

In union there is strength. I believe in union of labor and union of capital. If the banks in every community would enter into a union, that is, an agreement to be honestly kept, in regards to exchange and interest charges, and all other interest affecting each other, there would be no failures. If every bank, both state and national, complied with the laws, there would be no bank failures, except from dishonest employees, and these are very rare, as it is usual to select the most respected and trustworthy persons for these positions.

My observation is that when a new bank enters a territory already occupied the patrons of the old banks, known as "red ink" customers, immediately remove their accounts to the new bank, who, under a misapprehension, think they are doing a fine business, but in a short while realize that a large number of overdrafts have been moved to them; and, finding out that they are not getting "rich quick" resort to desperate methods, such as cutting rates or abolishing exchange, reducing the rate of interest on loans, and offering to pay a higher rate of interest on time deposits than the old banks pay; creating what is commonly called a "bank war."

You all know, who have been through the mill, that it's folly to do this, the older banks are much better able to fight than the new; the final result is an agreement more stringent than the first, which has caused a loss to us all, and much dissatisfaction to our patrons.

I admit that there is room in a great many places for more banks and banking capital, but for heaven's sake let us work together as brothers and conduct our business on business principles and not like cats and dogs.

When a banker enters an agreement with his brother bankers and desires to withdraw from the same, unless he has something better to offer, and does so arbitrarily, he should be termed a striker, and if the corresponding banks would frown upon such conduct and refuse to be a party to cutting rates of any character, the striker would very soon come to his senses, and see the error of his way.

There is absolutely no reason on earth why any bank should want another to do its collecting for nothing; they are all put upon notice and there need be no loss to them, as they can protect themselves; there need be no loss to their customers, as they can protect themselves in selling their goods. Nor need there be any loss on the buyer, for if it is cheaper for him to pay his accounts in currency than to buy exchange he can do so. To sum it up, exchange is a perfectly legitimate charge, which very few persons object to paying if it is properly explained to them.

Mail-Order Bank

Already we hear the small country banker objecting to the mail-order bank. Here we see the tendency among bankers the same as we have seen it in the great mail-order houses. The public has been educated along the line of cheapness; it has been educated to look only at the price—quality was of secondary consideration—and the mail-order house realized its greatest opportunity to be among those who knew little of the secrets of business, and neither were experienced buyers nor true economists. The country is progressing along the lines of centralization; the large banking institutions are becoming much larger and the small ones are but serving to fertilize the soil for future campaigns.

Three Kinds of Competition

Let us consider the competition that the country banker meets as the first proposition. First, he has the competition with the local banker; second, the competition with the foreign banker through the mail-order banking methods; third, the competition with the fake investment proposition.

The competition offered by the local banker is largely the competition of size and energy, brains and service. The man with money to deposit naturally gravitates toward the larger bank—that is his most natural inclination. This may be deferred, however, by his personal acquaintance with a stockholder, employee, director or an official of the bank. If these men bear good reputations, if the bank shares in this good repute, the natural inclination of the depositor is to give his money into the hands of people that he knows to be honest. On the other hand, we have seen the new bank spring into existence and create for itself a following that has been the marvel of the old bank. We have seen that this success was largely due to better methods, for, after all is said and done, after all the advertising that brings customers to your bank is done, whether the customers be men with money or men with good paper, the fact remains that service alone will hold or lose the business. If you give service in all that that word implies, and by service we mean courteous treatment, accommodation to the limit of good banking, helpful advice and assistance, consideration first and above all things for the people who help your bank, and then a large public spirit that identifies your bank with the best movements for all the people as well as for the individuals in whom you are particularly concerned, competition will have a hard row to hoe, no matter how old or how young.

A Body of Friends

This service cannot help but bind your following into a close and compact body of friends and supporters. This is not accomplished by methods that obtain only within the doors of your institution; you must

project this personality, this belief in your methods, out into your territory. When you have done this you have put competition at a disadvantage, because when competition is compelled to compete on the basis of brains as well as capital, you meet it in a place where it must match its brains against your own. It then lies within your own power to determine how far you can go in growth and influence.

Putting Competition at a Disadvantage

The competition with a mail-order banker presents entirely different conditions and problems. You have here to meet the shrewdest, craftiest men in the banking business, who have probably realized more than you have, the full force of business-getting methods. Much of their energy and the training of highly specialized minds and experience are concentrated upon the one great problem presented to them—of getting more business. They realize, as has been pointed out in the chapter devoted to banking by mail, that the money that is deposited in this way is free money; it is money with no strings of concessions or special privileges attached to it. It is put in their hands to work, and they can well afford to pay for this kind of money in certain sections of the country a higher rate of interest, and spend more to get it.

"Free Money" is Good Business

It may seem strange that I should attempt in this chapter to block the things that I demonstrated were effective in another, but it is all a matter of education. The mail-order banker is taking advantage of a condition in this country, a condition of ignorance which has led to the dissipation of small sums of money among widely scattered individuals. It is a product of the carelessness and indifference of the local banker. The large bank is educating the great American public to a higher rate for its money. The local banker has paid no more than his local conditions made it absolutely necessary for him to pay. Local conditions in another section of the country may make eight per cent. and ten per cent. a perfectly natural and easy proposition for the borrower to pay, making it just as natural, just as easy, just as business-like for the banker to pay four per cent. on savings bank deposits.

The local banker has too often permitted outside interests to take advantage of his surplus funds. He has not put the money to work in his own town; he has preferred to send it to New York or Chicago; he has preferred to buy foreign paper rather than local paper. He has not, in other words, kept up with the times; he has not been a potent factor in the growth of his own city. It may be said in reply that this is not generally true; that it is not even true in a sufficient number of cases to warrant laying the rule. It doesn't require very much testimony

Bankers Who Serve Strangers Away From Town

Look at New York, Etc.

to prove how much country bank money is carried in Chicago and New York. All we have to do is to look at the New York bank balances when the western and southern crops commence to move. They tell the story more eloquently than anything else can tell it. But if that is not convincing, consider the 1907 experiences of Kansas City and the small banks corresponding in New York and Chicago.

Why is it, too, that some of the country bankers have gone to great pains to impress upon their local people that "this is a local bank, our money is kept here to work for the betterment and for the growth of our town." They have realized that they had to meet this criticism in this way.

What are we going to do about the interest paid?

Why They Go Out of Town

Will people deposit money with you for two and one-half per cent. and three per cent. when they can send it to Cleveland or San Francisco or Seattle or New Orleans or Pittsburg, and get four or four and one-half per cent? Are they going to allow you to have their surplus funds to invest in Chicago business when they can send it away and obtain better returns for it?

Is it reasonable?

It is hardly necessary to go into any analytical discussion of the financial problems involved, only to impress upon the country banker that if he wants to keep business he has to keep it by merit and service. It is not necessary to call his attention to the fact, if he wants to impress upon his local people the value of banking with him he must give them reasons. It will do no good for him to sit in his office and fulminate about it. It will do no good for him to criticise his people either publicly or privately. The pace is swift, but he has a great deal less to do to overcome it than the man who comes into the territory and takes the money away from him. By a little judicious use of printers' ink the local banker could accomplish much more than could be accomplished by the man a thousand miles away. The local man must realize that if the people will answer the advertisement of a Cleveland bank they will answer his advertisement, if he writes it right and sends it to them. If he has the right standing in the community, if his bank has a good repute, if he gives service and returns for the money placed in his hands, he can get just as much of it as the man in Pittsburg.

We have heard some bankers say that people would prefer to deal with banks in a big city; that they would prefer to send their money to

Pittsburg to holding it in Podunk. This is an admission on the part of Podunk that paralyzes the energy and effective enterprise of Podunk bankers; and, finally, it isn't true.

"Keep Mum" Says Experience

Some country bankers gossip too much; they permit their business with their customers and their depositors to become public property; if not the banker, then the board of directors have talked too much, with the consequence that any man desiring to keep his business as nearly as possible his own, has put his little surplus in the hands of outside institutions.

Mr. McKee, of the Mercantile Trust Company of Little Rock, Arkansas, hit the nail pretty squarely on the head in a recent talk before the trust companies' section of the American Bankers' Association, when he said:

Trust Company Experience

> The trust company is certainly leading the way in the matter of advertising, and it is to the trust company business that the people are being educated. The kind of advertising that we should do, in my opinion, is to place before the people the advantages of having trust companies act as administrators and guardians. The savings bank business is well advertised. We are all familiar with the extensive advertising of Pittsburg trust companies and the Cleveland trust companies. They advertise all over our state and they get business that we ought to get, but we are doing the best we can now and we often copy their advertisements—because they sound pretty good—and we will get some of their business now. This advertising is an expensive thing, but we believe that it pays.

The trust company, of course, is another feature of competition that is difficult to handle, but it can be handled successfully even by the commercial bank, with which I will deal later. The main things I want to call your attention to with respect to Mr. McKee's experience is, that his company is meeting advertising with advertising. The country banker should get out among his people and circulate more; he must be, above everything else, a personal solicitor, because it is the unanimous voice of all bankers, trust company men and savings bank men, that personal solicitation is, above everything else, the most effective in the small town. There can be no doubt about this. Advertising was never intended to take the place of personal solicitation, where the latter was measurably practicable. It is manifestly impossible, however, to see all your people all the time, and perhaps it is the man whom you least suspect of having the possible deposit, or with whom it is possible for you to do business, who turns out to be the very man who has opened an account with the mail-order bank.

The principal thing in handling business men is to make the solicitation in such a way as to get their co-operation. It is hardly necessary

How Personal Work Pays Best

to say that a good salesman would not enter a man's office at the busiest hour of the day and invite him to make a deposit in his bank. Select a time when you can get the investor or the business man whose account you want, to come to your bank. There, in the environment of finance, in the environment of money, he sees a bank doing business—he sees how you do it. You are there to answer his questions; you encourage him to ask them. He is impressed with the fact that you have gone out of your way to make a friend of him; that you have thrown the doors of the bank open to him. Even the smallest banker can, in this way, appeal in a manner that is difficult to resist. This personal solicitation is effective, far more so than any mail-order bank advertising can possibly be, and you can overcome the mail-order bank proposition in this way so that it renders it almost impossible to get the business away from you. But you need one more thing that goes ahead of you to create this favorable impression that makes your entry on the scene less difficult and much more productive, and that is suitable advertising. Educate your people so they will know you, know your bank and understand your position.

Competing With Banking by Mail

In the larger cities the competition with the mail-order bank is, of course, reduced to a minimum. Even in the larger cities, however, we find the four per cent. and five per cent. proposition from the west entering to make trouble for the large bank.

The large bank sometimes ignores the small depositor; it doesn't want the small depositor; it looks upon him as a nuisance. Some have placed a limit of $500 on an active commercial deposit, some $200, others $100. We will not discuss the question of the profit on handling small accounts, but many of these accounts can be turned in to the savings department, where they can be made to produce an acceptable return, if the depositor is handled properly.

The main thing in the banking business is to get customers and retain them. When a bank loses a customer there can generally be concluded one of two things, either he has been badly treated, and by badly treated we do not mean impoliteness, or failure to oblige, but we mean that just as potent reason, indifference; or he leaves for purely business reasons.

In the first place, every depositor, when he opens an account, should receive a letter from the cashier or the president, thanking him for the account. It doesn't matter whether that account is $500 or $50,000, the obligation should be considered from the customer's side of the counter,

and a new deposit is an indication that another man has pinned his faith to you, and he should be thanked for that expression of his confidence.

Keep in Touch With Old Depositors

Now, suppose a depositor leaves your institution; just as soon as that account is closed, the cashier, or the president, or whatever official has this in charge, should immediately find out why the man withdrew his account. This can be found out in two ways. In every well regulated bank some man introduces a new depositor. If you refer to the records you find the customer of the bank who introduced the depositor. You find out from him why the account was closed. It may be that he has been compelled to leave it for purely business reasons. If that be true, there is nothing to be said about it. If, on the other hand, there is not a good reason for it, there should be steps taken to overcome the difficulty.

A Lop-Sided Growth

Failure to meet the competition of other banks in a city territory is largely due to a lack of understanding of the special conditions in various lines of business. This ignorance tends to make banks unduly conservative in handling a wide line of business and produces a lop-sided growth. This is more thoroughly understood now than it used to be in the old days, when one man was supposed to be able to handle all the business and have enough knowledge of the practices in different lines of business to enable him to pass intelligently upon all kinds of loans.

Competition for business among the trust companies is largely a matter of equipment. Specialists are getting into the field more and more.

How It is Done

One of the Chicago banks has organized its credit department upon a business basis. That is, each department of business is given into the hands of a specialist. For instance, the man who looks after the loans in the retail lines knows retail business. In such a place credit has ceased to be merely a matter of intuition and personal character and gossip. It is becoming more and more a matter of special knowledge of business conditions. It has ceased to be the experience of clairvoyance, of second sight, but it requires a scientific foundation based on a realization of what credit really is. It requires more than the balance sheet to obtain credit. The credit man of the bank wants to know how its figures were obtained. He asks more than the mere reputation of being a "good business man." He analyzes the actual business methods so as to come to a business-like conclusion upon the merits of the performance. His constant care is to keep his paper clean. When he approaches a

retailer he knows how to talk to him, he knows the business, he knows the pitfalls and dangers, he can realize what the dealer has done to protect himself, and this special knowledge makes it possible for the bank, trust company, or specialist to deal in an open-minded and generous way with the business that deserves it.

Trust company competition is a matter of education; savings bank competition in a large city is also a matter of education, hustle and well organized business departments. The chapter devoted to savings bank work shows how to set a pace for competition that makes it extremely difficult for the competitor to do business.

The Mail-Order Houses Borrow

There is another form of mail order advertising that is extremely difficult to meet because of the lack of knowledge among the people in rural communities. The large retail catalogue houses in Chicago and New York, for instance, offer to the country purchaser an opportunity to bank his money. Recently one of the Chicago firms issued a booklet containing a paragraph like this: "If you have any idle money, send it to us; we will send you a receipt; we will pay you seven per cent. interest and you can draw the money at any time you want it; we are large borrowers of Chicago, New York and Boston banks; we prefer to borrow of you—you trade with us, they don't. Your local banker will give you not to exceed four per cent. interest, if he gives you any at all. By sending it to us you make anywhere from three to seven per cent. over what you can get at home, and we get it as cheaply as we now get money from the eastern banks."

The booklet also explains, of course, that the depositor can buy any goods he wants, charging against his deposit. The plea is that this makes it possible for the purchaser to obtain goods without the trouble of making a remittance every time a purchase is made. At the same time he is getting an interest on the deposit he has in the hands of the catalogue house.

Get to the Law

The local banks, it is said, were largely responsible for this condition, because they had started to charge exchange on checks sent by farmers to the catalogue houses, the exchange cutting a very large figure in the catalogue houses' profits. The result was that the catalogue houses virtually opened a deposit bank, and the banker immediately hied himself to a lawyer. In Kansas, where this was first brought to the attention of the banking commissioner, the bankers asked him for some method of stopping it, for they saw a great deal of good Kansas money

going to Chicago. The commissioner very sensibly answered: "The mail-order houses are not doing a banking business, they are simply borrowing money of the farmers. There is no law to prevent a man's borrowing money if he can find another man who will loan to him, and it seems these houses are finding plenty of people who are ready to loan them money."

How It Reacted on the Bankers

This attempt on the part of local bankers to stop the catalogue houses from doing business in their particular section reacted, as it usually has done, in a way that should prove beyond any cavil the only way to meet mail-order competition, whether it be in retail lines or banking, is to adopt the very same methods used by the mail-order houses, and that is—advertise. The local retailer, the local banker have the opportunity to advertise, plus the opportunity for personal solicitation, a combination that makes it possible for him to do business locally that the mail-order house can't touch. If he is sufficiently awake, he will go to the trouble and invest the money necessary to do it. It doesn't require much money in comparison with what the mail-order bank has to invest. The mail-order bank and the mail-order store, build their business on the ignorance of the people in the local banker's community, who do not know what the local bank or the local retailer can do for them. Thousands of dollars are taken out of communities by the same arguments that could keep those dollars at home, if the local concerns would make the effort.

A Simple Rule of "Learn the How"

When the local banker hears the talk about catalogue houses from his local retailer, he should say to that man: "Modernize your business, educate your people, tell them about the quality of your goods, buy some of the things from the catalogue houses, put them in the window alongside the goods that you sell at the same price. Ten chances to one the goods that you sell will be better than the catalogue houses'. Show the local buyer what it costs to do business with a catalogue house; that is, the cost of the goods, the freight or express charges, the letter writing and the chances of dissatisfaction. In other words, educate your people."

And the local banker should take this same thing to his own heart. The local banker should see to it that articles are inserted in the local newspapers to educate the people on the banking-by-mail proposition, and he can get his local business association to help pay the costs of such a campaign.

There remains one more competitor that every banker has, whether he be in city or country; whether he be a banker, savings bank man or

The Fake Investment Scheme

trust company man, and that is the fake investment proposition. The sucker industry in this country is one of the most profitable doing business. It requires no capital and millions have been made out of it. It beats the fabled riches of Golconda and throws the wealth of India into the remote shadow. During the past three years the papers of the country have been filled with talks about fake investments. From the time of the Franklin syndicate when Miller got more money than he could hire people to count, until the present, the ignorant man in both city and country, ignored by his local banker, the man who should teach and educate him how to take care of his money, if for no other reason than that it would give him a greater opportunity for his own profit, has been giving up his money to the promoter of fake investments, removing it from banks or taking it out of its secret hiding place and handing it to the ten-per-cent.-a-week grafter. Is it an inherent part of human nature that it should be victimized? How much have we seen in bank, trust company and savings bank advertising that prevented this? How much have we seen that the bankers realized their duty and realized that the dishonest stock proposition was really a competitor in their business?

What is the secret of the fakir's success? It is the promise of big things. But how does he get his promise to the people? Through the newspapers, the magazine and the personal letter. What is the secret then? Again we must return to the simple proposition of advertising.

What One Fakir Did

It is said that during the height of the Beaumont oil boom, one Boston promoter obtained over a million of dollars in subscriptions to the stock of fake companies.

The Goldfield graft afforded another opportunity for a choice lot of promoters, and until a prominent New York weekly exposed the whole thing, it required an extra relay of operators to receive the telegrams asking for stock.

The following from the editor* of a banking publication tells the story:

> The illustration on the next page (Figure I), was clipped from a paper called "The Speculator." It is only a sample of the powerful argument that is being directed against the savings depositor of this country. Some investment companies pay well for lists of names of depositors; and bank clerks have been known to assist in spreading literature of this character by supplying those lists.
>
> This is what you are up against, Mr. Banker. This is the kind of literature that is being circulated broadcast throughout this country. Just how much of it is going into the homes of your community, you or I cannot tell. Since honest

*Mr. John F. Speer, editor of "Bank Notes," Indianapolis.

HOW MONEY GROWS

IN NATURE'S BANK.	IN SAVINGS BANK.
One Hundred Dollars invested in Hecla (Idaho) in 1899 is now worth $7,500.	One Hundred Dollars invested at the same time in Savings Bank is now worth $124.00.
One Hundred Dollars invested in Hercules (Idaho) nine years ago is now worth $93,750.	One Hundred Dollars invested in Savings Bank at the same time is now worth $127.00.
One Hundred Dollars invested in Mohawk (Nev.) three years ago is now worth $11,330.	One Hundred Dollars invested in Savings Bank at the same time is now worth $109.00.
One Hundred Dollars invested in North Butte (Mont.) three years ago is now worth $2,300.	One Hundred Dollars invested in Savings Bank at the same time is now worth $109.00.
One Hundred Dollars invested in Stewart (Idaho) three years ago is now worth $3,000.	One Hundred Dollars invested at the same time in Savings Bank is now worth $109.00.
One Hundred Dollars invested in Standard—now the Federal—ten years ago is now worth $20,000.	One Hundred Dollars invested in Savings Bank at the same time is now worth $130.00.
One Hundred Dollars invested in Calumet and Hecla when it was lowest is now worth $87,500.	One Hundred Dollars invested at the same time in the Savings Bank is now worth $199.00.
One Hundred Dollars invested in the Debeers Diamond mines a few years ago is now worth ten times this.	One Hundred Dollars invested in the Savings Bank at the same time is now worth $115.00.
One Hundred Dollars invested in Homestake (S. D.) eighteen years ago is now worth $8,000.	One Hundred Dollars invested in the Savings Bank at the same time is now worth $154.00.
One Hundred Dollars invested in Tonapah (Nev.) five years ago is now worth $12,000.	One Hundred Dollars invested in the Savings Bank at the same time is now worth $115.00.
One Hundred Dollars invested in Portland (Cripple Creek) ten years ago is now worth $2,000.	One Hundred Dollars invested in the Savings Bank at the same time is now worth $130.00.
One Hundred Dollars invested in Tonapah Extension (Nev.) four years ago is now worth $10,000.	One Hundred Dollars invested in the Savings Bank at the same time is now worth $112.00.
One Hundred Dollars invested in Red Top (Nev.) two years ago is now worth $5,000.	One Hundred Dollars invested in the Savings Bank at the same time is now worth $106.00.
One Hundred Dollars invested in Bunker Hill-Sullivan (Idaho) seven years ago is now worth $10,000.	One Hundred Dollars invested in the Savings Bank at the same time is now worth $121.00.
One Hundred Dollars invested in Lost Packer (Idaho) four years ago is now worth $4,000.	One Hundred Dollars invested in the Savings Bank at the same time is now worth $112.00.
One Hundred Dollars invested in Montgomery Shoshone two years ago is now worth $3,000.	One Hundred Dollars invested in the Savings Bank at the same time is now worth $106.00.

FIGURE 1

A True Story and Why

newspapers and magazines will no longer give space to fake mining schemes, the promoter is using methods even more subtle and powerful. He is sending his literature direct, and following it up carefully and systematically. What are you doing to counteract these campaigns?

Let us grant that these statistics are correct—that the stockholders in these mines have reaped this golden harvest from their investments. Careful analysis of the records of these successful mining enterprises will reveal the fact that the stock is held by a syndicate; that the chosen few got in "on the ground floor" of these really "good things." Capital is never lacking to back mines that are more than empty holes in the ground. But, with these successes at his fingers' ends, the wily promoter works his way into the imagination and then into the favor of the wage earner and the man of limited means—your depositors—and comparisons such as the above make converts, to absolutely worthless and fraudulent mining schemes, of even men whose judgment is sound, and whose business acumen is above the average on other subjects. Let us analyze the situation in one specific case. You have a depositor with $400.00 in the savings department of your bank. When the deposit reaches $500.00, your man contemplates making the first payment on a home or the paying off of a mortgage. Along comes the convincing circular and the 'heart to heart' personal (?) letter of the mining shark. Then the first 'feeler' is persistently followed up and each letter or circular sinks deeper and deeper into the mind of the prospective victim. Then comes an appeal stronger than all the rest, to the selfish side of his nature—that vulnerable part of human nature against which all successful advertising is directed. That appeal is the one which cites you, Mr. Banker, as the grasping Shylock who takes the money of the day laborer, the widow and the orphan at a measly three per cent., while, by unknown and oftimes questionable methods of investment, you make that money pay you six, eight and ten per cent. "Why not do your own investing?" "Why not put your money where it will bring you all its returns instead of what the banker chooses to pay you?" "Why not grasp the same opportunities that have made rich men of hundreds of others?" These are a few of the arguments that tend to undermine confidence in you and excite the cupidity of your depositor, to his ultimate undoing.

He withdraws his money, turns it over to the mining shark, receives several big dividends and begins to talk about his profitable investment among his friends. Wise promoter. Foxy swindlers. Those dividends are part of the advertising appropriation, for this mammoth coup. The promoter knows his game just as thoroughly as the three-shell man at the county fair. More savings into mining stock, more dividends, more word of mouth dissemination of the merits of this great dividend-paying proposition and—more suckers for the eventual climax, when dividends cease and the capital invested goes where the woodbine twineth and the wicked cease from troubling.

Let us suppose that all the money invested in worthless mining projects has come from savings accounts that would have been continued in bank indefinitely. The loss in that case is all yours. But this is not the history of the game. Money that was being accumulated for a definite project, money that was all ready, only waiting a certain time for legitimate and lasting investment, has gone into handsome certificates with pretty gold seals and lovely steel engraved lettering. The home is not purchased—the real estate man or the property owner loses a sale. The purchase of new furniture for the home is indefinitely postponed. The furniture dealer's receipts are much less for the year. In those cases the dealer loses. But, by the way, that real estate man and that furniture dealer are customers of your bank, are they not? That savings department money on which you were paying three per cent. interest was destined to come back to you as a commercial deposit. It didn't come. Who is the ultimate loser in that case also? Queer how that argument has worked around, isn't it, but it is just what we wanted to get at. You lose, Mr. Banker, any where the wheel stops in these fraudulent promotion schemes for taking money out of your community. What are you doing to protect yourself?

A True Story and Why

I know of a case of a genial young man who grew up in a certain prosperous community. He was a clerk in a hardware store. He went west and two years later turned up in the home town with a high hat, frock coat and a gold headed cane. He had not changed much except in the cut of his clothes. He represented a mining company and on the strength of his wide and favorable acquaintance among tradesmen and farmers of the community, he sold a big bunch of the stock. It paid big dividends. Later he came back with a Western New York oil field stock proposition. He sold a lot of that. That was four years ago. Today he is several times a director and vice-president and is rated very close to a million. The good folks down in the home town never discuss mining or oil stocks—they are still tilling the soil and weighing out honest pounds and measuring full length yards. Some day, if crops continue good and trade prospers, they will all be "comfortably well off."

I know a young professional man climbing right to the top in his chosen work, but—he will stop anything, at any time, to tell you the market price of Tonapah and Bullfrog and Belmont, and how much ore they took out last month, 'right next to our workings.' And he will explain why the stock he bought at 50 cents is now down to 12½ cents, and he will tell you convincingly why it is bound to be up to a dollar by the end of the year. Then he will cite you other stockholders, and you see in a minute how he was influenced to invest his surplus. We cannot help but admire the advertising geniuses whose persuasive "line of talk" separates a few hardheaded business men from their money and makes of them active, aggressive agents for the persuading of their less astute and more easily influenced friends.

Do you appreciate the situation, Mr. Banker? Do you realize the responsibility that rests upon you, and you alone, to protect yourself and protect your people from these flocks of vultures? Are you doing it? If the literature of the mining sharks has not yet found its way into your community, anticipate its coming by educating your people to its devious and diabolical methods of taking their money from them, for be assured you will feel its baleful influence sooner or later. If your stronghold is already assailed, seize their guns and turn their own weapons against them. The advertising circulars and booklets of the average fake mining corporations are masterpieces of the art persuasive, but the keen banker can pick out the flaws in the arguments that the lay mind does not observe, which can be turned against the schemers. The wiser heads of your community may rail against and ridicule this frenzy of mining stock speculation, but they are only beating the air. The real check upon the spread of the malady lies with the banker, and with his deposits at stake and the welfare of his clientage in jeopardy, his fight should be of the fierceness that wins.

How to Fight It

How is the banker to fight this? Publicity first, and then to go after the publications that accept that kind of advertising, with a big stick. It has been remarked that the advertisers in New York, Boston, Chicago, Philadelphia and Pittsburg papers are continuing to patronize publications that deliberately and with malice aforethought will carry stock propositions that are fakes upon their faces. Newspapers that will refuse a penny of credit to fake stock promoters, will take pages of their proposition on a cash basis.

This condition demonstrates the fact that the newspaper proprietors and business managers need educating of a very practical kind. It is necessary for the banker and business man of the city to go to the newspaper proprietor and show him that they cannot afford to be seen in

"Running an Account"

That Never Runs One Into Debt.

For convenience of patrons who like to have their purchases "charged" we inaugurated our Depositors' Account System.

To-day many thousand Macy patrons enjoy its advantages This Depositors' Account plan is ideally simple, and ideally satisfactory. You merely deposit a sum of money in the department on the Balcony—a sum great or small, as you elect—then have "charged" to this deposit any purchases you make in the Macy store.

We render monthly statements and allow 4 per cent. interest, compounded every three months, on your daily balance.

While a deposit cannot be checked against for expenditures made outside of the store, as we do no banking business —any or all of it may be withdrawn at any time.

This unique plan affords every convenience of an ordinary "charge" account in a credit store, and every economy of Macy's strictly cash system.

Start a Deposit Account for your Fall shopping campaign.

MACY'S,
New York.

FIGURE 2

his paper, when that paper carries propositions that are frankly dishonest. In this respect boards of commerce and trade can bring pressure to bear on publishers of national magazines through their national advertisers in such a way as to make it impossible for the fake propositions to get a hearing except through the cheapest mail-order mediums.

The Local Paper

It is in line with a proper growth of legal regulation that the post-office department should be empowered to investigate on its own initiative propositions of this character, and there are advertising organizations composed of self-respecting men who are attempting to rid advertising of this great blot upon their work, and these efforts should call for the hearty co-operation of bankers and business men everywhere.

The Local Banker Must Fight

These things alone, however, are not enough. The local banker must aggressively fight the evil. The best method of accomplishing this has been amply demonstrated in "The Banker's Duty to the Public," but the articles should be directed right at the live question at issue; they must be made timely, strong and pointed. Such a series as "How I Lost My Savings," or "Hints to Investors," such as have been running in "The Saturday Evening Post," can be handled in your local paper in a way to sow doubt in the mind of your small investor, and if you want to make the appeal stronger and more personal, circularize your mailing list with the articles reprinted; send marked copies of the paper.

Department Store Banks

How is the local banker going to meet the competition of department store banks? The department store bank is generally disguised under several headings—one of which is the depositor's account, such as held by Macy's in New York (see Figure 2), the other is the straight fund savings bank proposition. It shows that there is a field for it or it wouldn't be and the department store bank is a dangerous competitor. The department store generally has the best advertising manager in the city; he understands the art and science of advertising; he understands his people and his direct appeal is to the women. The department store manager generally has the best trained force of clerks in the city; he knows the value of *pleasing* customers; he understands the value of service; his whole thought is to advertise, to get people to come to the store, and then give them the service, and the goods they come there to buy. He has no thought of his own importance, he has no idea of dignity or ethics—his sole object in life is to get business and to keep it, and he applies to the banking proposition the same acute understanding of human nature, the same aggressive hustle as he does to his other line of business.

To overcome this competition one must better it.

The department store has not run the up-to-date retail specialist out of the field, and it never will, but the retailer in a single line has had to retain all his up-to-dateness. He had to advertise, had to make better show windows, had to have a prettier store, had to have more and better trained clerks, he had to have a better system, he had to work a little harder, all because the department store became his competitor.

Service Again Must Count

And this is the way the banker will have to meet department store competition. He will meet it on its own footing, and he will win just in proportion as he can do better by his customers, as he is willing to tell his possible customers why and how and where he will do better. It will be difficult for the department store to establish itself as a bank in any large sense of the word, just in proportion as the banker makes it difficult. This difficulty will not take the form of special legislation or new laws or passing resolutions, but it will have to come back to the public who holds the pocketbook; advertise to that public. Educate it in banking methods.

This whole subject of competition comes right back to the first proposition, "What have you done to educate the public?" What have you done to overcome the effect of the work of your competitor? The greatest competitor you can have is the man who can do better than you can, and he will succeed. If you are willing to meet him on his own grounds at his own game and do better than he can, competition will have no terrors for the smallest as well as the largest banker in the country.

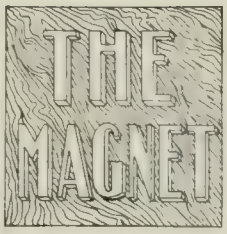
Specific Methods

Let us examine more in detail the specific methods used in competition.

When your local competitor is a private bank you should talk the national or state banking laws and the protection they give the public.

The advertisement shown in Figure 3 is a fair example of the argument used by national banks. "Government Supervision" is the slogan of all such advertisements, and this, coupled with facts about directors, age, surplus, deposits, etc., can be welded into a strong argument.

The main thing is to make the most of your arguments. There is too much left to supposition and too much taken for granted. The greater part of the public does not know what you know of the strength of your position and your charter and license to call yourself a national bank.



THAT ATTRACTS
PRUDENT
DEPOSITORS
IS
GOVERNMENT
PROTECTION!

As a National Bank we are under Government control, and have Government protection—this means the strongest and safest bank for you to do business with.

We contend our Board of Directors to be the most active, though withal prudent and conservative, Board of any bank in Baltimore.

Combining Government supervision with conservative local management, the depositor finds in the conduct of our bank the very elements of safety.

Let us add your name to the long list of business people who transact their financial affairs through this bank.

Capital, surplus and stockholders' liability more than **one million dollars.**

COMMERCIAL AND FARMERS' NATIONAL BANK,
Howard and German Streets.

FIGURE 3

On the other side of the case here is a typical argument for the private bank by the Farmers' Bank, Silver Lake, Indiana:

A BANK'S REAL STRENGTH

Not in the Style of its Organization, But in the Stability of the Men Behind it

The Private Banker's Argument

State banks are sometimes incorporated in small towns for the reason that it is thought that it will give the institution prestige or a higher standing among people who are not well-informed as to law concerning the liability of State Banks to their depositors. It is sought to give the impression that the State in some manner stands behind the bank and protects the bank's depositors. This is so far from being the case that almost the opposite is true; a State bank is really a limited liability concern, while a private bank is liable to the full amount of the combined wealth of all the partners therein.

A State bank must have subscribers to its stock to the amount of $25,000.00 and the liability of each stockholder is only equal to the amount of stock he owns. Stock in such institutions is frequently subscribed for by persons of little or no responsibility who go into it merely because they think it will add something to their importance to be known as bank stockholders, or because they think it will be easier for them to borrow money from the bank if they have a "stand in" with the management by owning a little of the stock. It will be readily seen that it would be impossible to force an assessment from such people in the event that the bank should need to do so in order to cover an impaired capital. The actual responsibility of the State bank then becomes no greater than its original capitalization. A State bank may have a capitalization of only $25,000.00 and receive deposits of $250,000.00 or more. In such cases nearly all of its deposits are totally unsecured except by the honor and integrity of the officers who manage the bank. And it must be admitted that the temptation is stronger where no individual liability exists than where an officer's entire capital is security for deposits, as it is in a private bank. Also where there is a great excess of deposits over liabilities there is a tendency to keep all the funds employed to meet the constant clamor of stockholders for large dividends, and this frequently leads to the making of loans the safety of which is sometimes very doubtful.

In a private bank the entire fortune of each partner is bound for the debts of the bank. As an instance of this the owners of the Farmers' Bank of Silver Lake have a responsibility of more than $200,000.00 in addition to the money they have invested in the banking business . The bank would have to lose all of its capital and the individual owners their personal fortunes of $200,000.00 and their homes, and their every earthly possession before any depositor could lose a penny. We could, if we so desired convert this institution into a State bank and thus evade this great responsibility, but we choose to continue giving our depositors the same full protection that they have enjoyed since the establishment of the business.

In selecting a depository for your funds keep these importants facts in mind:

The State does not in any way guarantee the safety of deposits in a State bank.

The entire fortune of every partner in a private bank stands as security for the bank's deposits.

No bank, whether National, State or Private, is any stronger or safer than the men who manage it.

Of course, the State and the national bankers *could* riddle these arguments. They Could

But they don't!

When one side of a case goes before the jury, through the eloquence of a clever advocate and the jury has no judge to guide their thoughts, what is natural to expect?

A verdict, most certainly, for the advocate's side of the contention.

Such a controversy, you say, will hurt banking. Good, then, if you feel that your side of the case put without heat, without rancor, without prejudice, and in plain facts, but put so that the people will be attracted, is not worth considering, stay out of the game and let the other man have his chance to show what he can do for those he will inevitably attract to his bank. If the "other fellow" in any case of competition is like the man described by Mr. Henry Dimse, of the Northern National Bank, Chicago, in an address in New York, the case is different.

Mr. Dimse said:

Henry Dimse New York

> Regarding this branch of our business, those who are on the official staff of banks realize how keenly each institution is endeavoring to increase its deposits, and with that in mind, very frequently methods are resorted to which could not be considered entirely fair. As an illustration, some banks in this city are offering to collect country checks free, pay an exorbitant rate of interest, some offering as high as 3½ per cent., and discount very liberally, in some cases without considering balances, and very often offering a line of discount entirely out of proportion to the facts as contained in the statement submitted and contrary to good banking, as judged by merchants, credit men, and those competent to decide. The main object seems to be to get the name of the depositor on the books of the bank, and unfortunately, when the banker is called upon to fulfill the contract, repudiates most, if not all of what has been agreed, which is an object lesson, not only to the depositor who perhaps had been treated as well as he should be in the institution which he left, but it becomes a boomerang for others, who learn of this disappointment. Other methods far worse than this are resorted to at times in the desire to obtain accounts, and if circulated, not only affect an institution but the public at large.

In writing competition advertising do not dwell too much on the mere technical qualifications of your bank or your people. Weakness of Competition Advertising

Dwell on the greater opportunity for service; i. e., ability to care for the legitimate business needs of your customers, your anxiety to do what you can to help them, and through it all impress them with your ability to care for their money.

I dislike that cant phrase of many bankers—"Conservative banking." Let the business community know what you have to offer—tell

Funds That are Good as Gold In any Country
You can buy Travelers Cheques of the American Express Company anywhere. You can cash them in Cairo or London —Tokio or Sydney—anywhere you go.
Travelers Cheques of the
American Express Company
represent the most modern form of carrying funds. Originated by the American Express Company in 1891, they now stand on a par with the best known currency of the world.
Travelers Cheques are cashed without discount by Banks, and accepted by Hotels, Stores and Transportation Companies, thus doing away with the difficulties and inconveniences attendant upon ordinary methods of letters of credit.
Full information may be had at any of the Company's Agencies, or by addressing its
Travelers Cheque Department
NEW YORK 65 Broadway.
CHICAGO 72 Monroe St.
BOSTON 43 Franklin St.
MONTREAL 202 St. James St.
American Express Co.
TRAVELERS CHEQUES

FIGURE 4

them how you protect your interests—but bury that glib, yet nebulous and unmeaning term.

That Glib Term

The First National Bank, Chicago, publishes a booklet (mentioned in another place) showing how its credit department is organized; i. e., with a specialist at the head of each department of business. That showing suggests two things:

To the depositor—Here is a bank which takes the greatest pains to prevent losses by employing a specialist in each line to examine collateral and keep in touch with all the great divisions of business.

To the business man—Here is a bank where I can get the ear of an expert, who knows the peculiar conditions under which I must do business, and who will extend me the courtesies to which a man in my line and my condition is entitled.

Such advertising is the best kind of substitute for the phrase, "conservative banking."

The Money Order Business

The growth of the money order business has been encouraged by the growing desire on the part of the country population to trade in city centers, and the large population which is constantly changing from place to place. This money order business is divided between the postoffice, the express companies and the banks, with the volume going to the sources in proportion as named.

Mr. Fred T. Kent of the First National Bank, Chicago, was recently reported in a banking publication as saying:

Express Company Competition

There are many dangers to the people in the express banking business as handled today that are really serious, and it is only due to the fact that officials of the express companies have carried on their business to date, as far as the public is aware, in a business-like manner, that the whole system has not been broken up long before this. The express companies, as they handle the banking business, are in effect huge branch banks. Those in this country who may believe in branch banking would not for a moment advocate the establishment of such banks unless they were under governmental supervision, were obliged to publish reports of their conditions and be subject to examination by government auditors. The express companies, while holding tremendous amounts of the people's money, are entirely free from all such regulations. They might, if they so desired, and it is understood that some of them do to a certain extent, accumulate their surplus in New York City, where it could be used in wild speculation, and lost without the public becoming any the wiser until the bubble burst and they found that they were losers to the extent of millions of dollars, held by them in express checks. The fact that this has not been done (to our knowledge) in the past is greatly to the credit of the officers of the companies, as they have been free to do so as far as the public is concerned had they so desired. Again, if the millions of surplus funds so gathered were used in New York City for manipulating prices by unscrupulous men, and we have no assurance that such men may not at times secure the balance of power in some of the express companies, they could assume control of financial institutions and

Express Company Competition

industries in a way that would make the recent methods of insurance companies along the same lines appear hardly worth noticing in comparison. That they have tremendous power in such matters already is a well-known fact, and has been shown in a great number of cases where legislation has been guided and controlled through express influence.

Another danger point in the business as handled today is due to the fact that the express checks, while supposed to be payable anywhere, are in reality payable nowhere. This means that bankers throughout the country must cash these checks and furnish the money for so doing, or they are worthless to the people who hold them. Bankers all over the United States, while recognizing the fact that they are not bound to cash such checks, and while knowing that in doing so they are tying up funds, not only without profit, but at an actual loss of interest, and that, in addition, they will be obliged to ship back currency at a further expense in order to get the money back into their own vaults again, have still continued to accommodate the people by handling express checks, hoping to be able to stop the evil through some other means than by refusing to cash the checks and by so doing save inconveniencing their customers.

How much of this has ever been published in the newspapers of the country? The express companies rarely use the newspapers, the banks are becoming regular advertisers, and could obtain editorial endorsements of and space for such contributions if the right methods were used.

The public in the greater percentage of cases does not understand why the express money orders should not be used, thereby frequently robbing their own town for the benefit of distant points.

How to Meet It

The banks should meet this in two ways, by advertising in individual instances the foreign exchange department, the foreign money order and the bank money order. The American Association could have advertised its bank money order and a foreign exchange system by a proper line of advertising in all the leading monthlies.

When a single express company can afford to do it, as shown in Figure 4, taken from a popular monthly, certainly the associated banks could have done it.

Articles of an educational character could have been run in the newspapers and a campaign inaugurated that would have put express money orders and foreign exchange on the defensive.

The "Dead One" Suffers Most

The mail order bank man turns the trick in communities where there is no bank, or where there is a dead one. Some day the dead man may wake up, and then he wants to do something to the bad bankers who have come over into his rear yard and plucked the nice ripe peaches.

Feeling rather strongly on the subject, he publishes something like this from Cashier Wones of the First National Bank of Delphos, Kansas:

HOW TO DRAW YOUR MONEY FROM BANKS IN OTHER TOWNS:

If the courteous treatment extended to you in time past, by the officers of the banks

Gimbel Brothers Bankers

Why, do you suppose, nearly a thousand persons were added to the number of our depositors last week? Why, in just a few months, have we gained more depositors than many old-time banks have won in their whole existence?

A bank can keep strictly within the law and still be very obliging and kind—maybe that is it.

The Gimbel bank was started to accommodate the thousands kept out of the big banks by awe. We don't want depositors with vast sums of money—had a deal rather have fifty customers with a hundred dollars each than one with five thousand.

May we write you fully or send a gentleman to talk it over?

I desire to know more about Gimbel Brothers' Bank.

Name.....

.....Street

City.....

FIGURE 5

An Idea

in surrounding towns has caused you to go to them to do your banking business and your money is now away from your home town on deposit, all that is necessary for you to do is to come to us and bring your pass book or certificates of deposit as the case may be, and we will show you how to draw your money without going there to do it.

We realize that there is more or less money on deposit in surrounding towns that really belongs to this territory. One reason that it has gone there is that interest is paid on time deposits. But we will give you the same interest that you are receiving where you now deposit and should you need to borrow at any time it will be a pleasure for us to accommodate you. We beg to assure you that the treatment accorded you where you now do your business will be accorded you by the officers of this bank.

Another thing; it will not cost you a cent to have your money transferred to our bank.

That one advertisement, of course, will not turn the tide, but a few more like it will stop new business and make some old patrons do some thinking.

The best way to meet such advertising as the department store banks do (Figure 5) is hard to decide. That kind of advertising is calculated to catch hundreds of the small depositors, who have confidence in a store and who "want to put money in a bank."

Some Examples

In some States they are passing laws to prevent such banking methods. That is all right; it settles the problem so far as competition is concerned, but it doesn't settle the question, "What is the matter with the regularly established banks that they do not get this money and these depositors?"

I asked an old banker in a town where a department store had opened a bank, "Is this department store bank hurting the regular banks?"

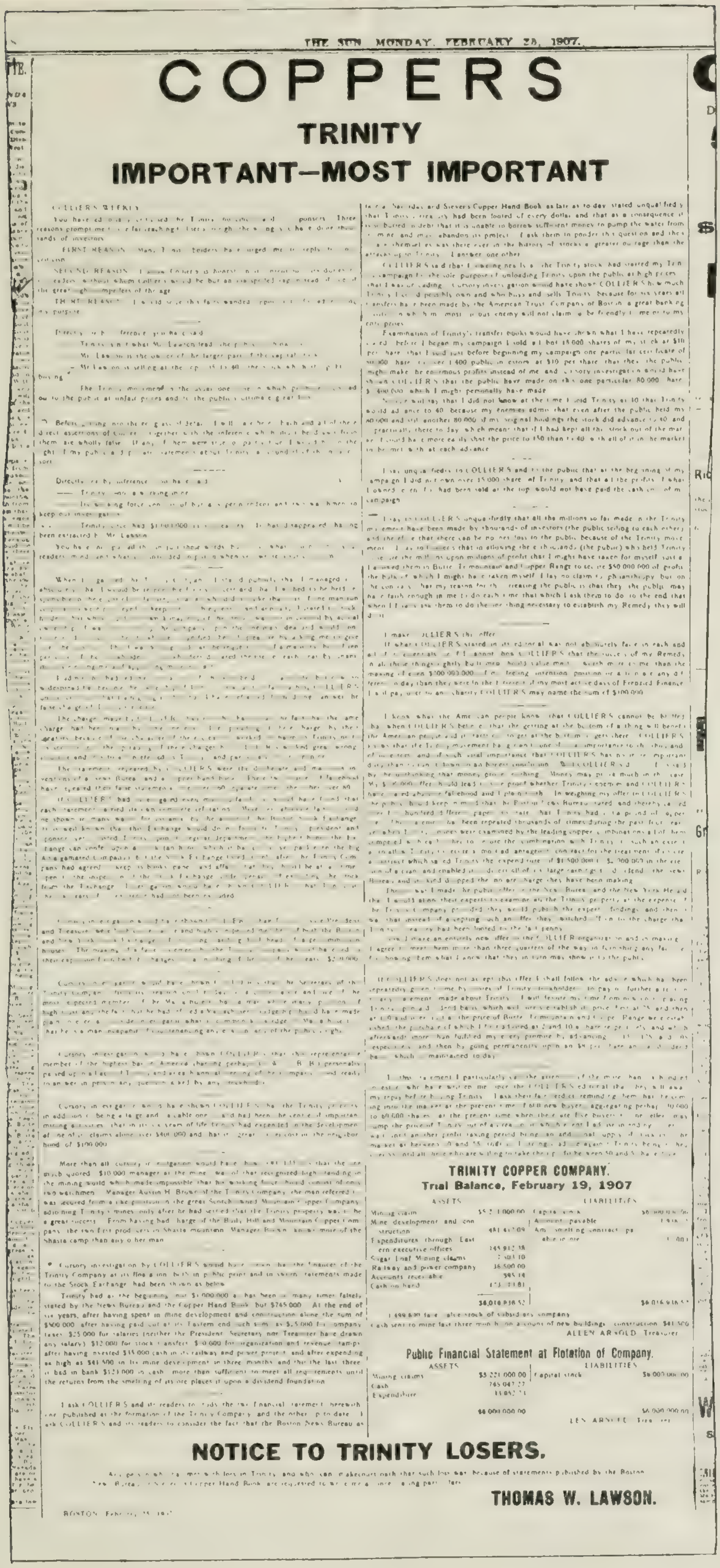
"No, not that I can see. We were talking it over among ourselves yesterday, and we are doing our normal business in adding new accounts and having no increase of withdrawals. They are opening a large number of accounts, I hear, but it seems to be by those who do not usually have accounts."

It did not seem particularly strange to that banker that such should be the case.

Postal Savings

It does seem strange to these same bankers, however, that the public should want a postal savings bank.

The explanation of the one is found in any true explanation of the department store bank.



THE SUN, MONDAY, FEBRUARY 25, 1907.

COPPERS

TRINITY

IMPORTANT—MOST IMPORTANT

TRINITY COPPER COMPANY.

Trial Balance, February 19, 1907

ASSETS		LIABILITIES	
Mining claims	$5,2[illegible] 060.00	Capital stock	$6,000,000.00
Mine development and construction	481,412.09	Accounts payable	[illegible]
Expenditures through Eastern executive offices	145,912.38	Am. smelting contract payable in ore	[illegible]
Sugar Loaf Mining claims	7,503.10		
Railway and power company	36,500.00		
Accounts receivable	595.14		
Cash on hand	123,338.81		
	$6,016,938.52		$6,016,938.52

1,499,600 face value stock of subsidiary company.

Cash sent to mine last three months on account of new buildings, construction $41,500.

ALLEN ARNOLD, Treasurer.

Public Financial Statement at Flotation of Company.

ASSETS		LIABILITIES	
Mining claims	$5,221,000.00	Capital stock	$6,000,000.00
Cash	765,047.27		
Expenditure	13,952.[illegible]		
	$6,000,000.00		$6,000,000.00

ALLEN ARNOLD, Treasurer.

NOTICE TO TRINITY LOSERS.

THOMAS W. LAWSON.

BOSTON, February [illegible], 1907.

FIGURE 6

Strange Things the Public Wants

The poor man wants a place to keep his money, where he can get it when he wants it, and get it quickly. During the flurry of 1907, when savings banks put the 90-day rule into effect, many a mechanic who had been saving his money in the savings fund, found himself out of work and his money tied up in his savings account for 90 days.

"The rainy day" had come, and the protection was withheld. Of course, such an experience undoes a lot of education that has been addressed to what the depositor must do to save, but not to what the bank can do for him in certain emergencies, where both he and the bank are affected.

These conditions make the department store and the mail order house banks a natural result of the public temper.

The remedy is the same old one—education and patient, painstaking courtesy; a broader view of the part the banker should play in the community life, and a more direct expression of his interest in its business welfare.

The attitude of the bankers is expressed in an editorial in "The American Banker" (New York). It says:

What the Store Will Do

The Michigan bankers, quite naturally, are very much distressed at the fact that the American Bankers' Association has seen fit to admit department stores to membership in its organization. President William Livingston of the Dime Savings Bank of Detroit has taken the matter up very earnestly with several of the members of the Executive Council and there is liable to be some very earnest discussion at the annual meeting in September.

The establishment of "depositories" in connection with the large department stores is a very clever scheme indeed, for the firms. It is a factor of commercial industry which can not help but materially affect the banker, both in his deposits and his loans. The department store management secures capital direct from the small depositor at a 4 per cent. rate, whereas he would probably have to pay from 5 to 7 per cent. for discount at his bank. This places other merchants whose business is of a character which can not invite a trust of this nature, at a decided disadvantage and has a tendency to render trade somewhat one-sided.

Doubtless the exigencies of the money market, the difficulty in obtaining loans when needed and the same irresistible force, which is making combinations and mergers necessary in order to successfully carry on the commerce of the country have tended to compel the owners of large stores to find a solution for their own monetary matters. Two large and well-known merchants of New York City, who do not resort to the depository method for obtaining a portion of their working capital, have but recently been saved from almost bankruptcy, by the leniency of their creditors and the assistance of their bankers.

In the discussion of the subject, bankers will no doubt realize that the department stores not only obtain their money from their numerous "silent partners" at a rate of interest above that which any savings bank outside of New York City can afford to pay, but they do away with the old system of "charge accounts." Instead of allowing the customer to use their money, therefore, they obtain the use of the funds and pay for the privilege. When one comes to figure on it, the results show a saving for both.

Talk It Over with Your Banker

If you have money in a bank, and if you get excited by the stories of how John W. Gates or Chas. M. Schwab or Mr. Leeds made a million in a day on a lucky turn in stocks, talk it over with the president of the bank before you take your money out to speculate.

There are thousands of banks in this country. They are usually well managed. Most of them pay interest of from three to four per cent. on deposits. They can not well pay five cents, because they seek safe investments. They keep the money of small depositors. The account at times seems to give small returns. It gives a certain return. They are solid institution because they are not conducted by gamblers. Down in Wall Street there are thousands of genteel gamblers doing business. You hear of them every day. You hear how in some turn of the market some man made a million. If he made a million, ten men lost $100,000 each, or one thousand men lost $1,000.

You do not hear of the losers.

Speculation flourishes off the inexperienced public. If you have $500 and go into Wall Street, you can put up five per cent. of the face value of the stuff you want to buy or sell and run a chance of making $1,000 or $2,000. But if you put up the margin and the market goes against you, that puts you out of business.

And the market is more apt to go against you than with you, for you are playing another man's game. He knows; you do not.

You in Wall Street are ignorant. What chance have you against the man there who is smart?

Not all men in Wall Street are dishonest. Not all transactions in Wall Street are dishonest, but unless you know the game all transactions you make will be dangerous.

The spiders have been weaving webs for you all this year. They will tell you that prices are going to advance. Maybe they will advance, but if you go in on a margin, one downward move will end you.

If you are determined to speculate, buy outright, but if you have a small amount of money in a bank and your neighbor tells you he put up $100 last week and doubled his money in two days—talk it over with the bank president or cashier before you draw out your money to put up $500 to win $1,000 in twenty-four hours.

If you think your neighbor who put up $100 and won $200 in two days has hit the proper way of getting rich and breaking into the Four Hundred, just watch the neighbor for six months. If at the end of six months that neighbor has run his $100 in several thousands, then this advice may be all wrong.

Still, even then, if you think your neighbor is right and we are wrong, just talk it over with the bank man.

FIGURE 7

Promises a
"Mak
The Light and Dark Side of an Investment.
THE DAYTON DAILY NEWS
LEGITIMATE MINING
Have YOU learned Experience?
STOP! Mr. Investor, and read every word of this Announcement
Six Months ago I told YOU
Absolute Security

FIGURE 8

A Great Business for People of Small Capital to Get Into

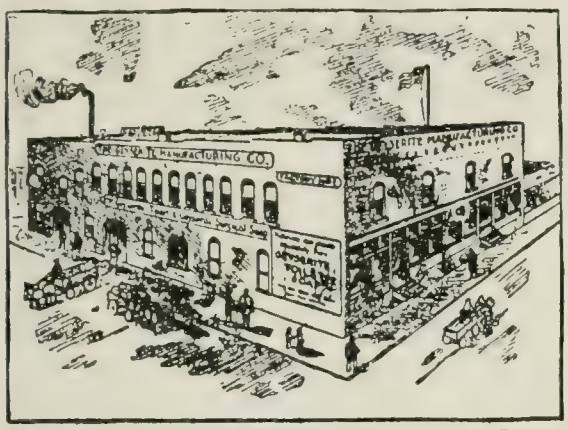
A Western Company Actually Owns A Soap Mine Which Reduces Cost Almost to Nothing. Enormous Profits for Stockholders. Small Investors Can Buy Stock and Be Protected.

Strange as it may seem, there actually is a soap mine, though so far as known, this is the only one. It was found near the town of Orleans, in Nebraska, several years ago. The finders thought it was simply a peculiar earth formation but a strict analysis proved it to be a lava deposited there by a geyser extinct for perhaps centuries. This is a geological and scientific fact.

Experiments proved that the lava had saponacious qualities, and tests showed that it could easily be converted into a very powerful cleansing soap that had in fact genuine medical properties as well. It was, for example, very antiseptic.

From this plot of ground out in Nebraska a soap is being made that is better, purer and cheaper than any other soap ever made. All other soaps are artificial soaps; this is a natural soap. It comes from a soap mine!

Other soap manufacturers have to buy all their ingredients in the open market. The fats and oils that go to make up the average soap are expensive. The Colorado concern, owning, as it does, a soap mine, is able to avoid the expense for material that confronts other soap manufacturers. The geyserite, which forms the greater part of every cake of "Geyserite" soap costs practically nothing as the supply is limitless and the property was bought at a very low figure. Furthermore, the raw material can be deposited in the Denver factory for less than one-half cent a pound.



Original "Geyserite" Soap Factory Owned by the Co., Present Capacity 20,000 Cakes Daily

From this it will be seen that the profits of the company must be enormous. The market is world wide. America alone, as outlined above, uses $100,000,000 worth of soap in a single year. There is no reason why it should not use more Geyserite soap than any other kind, as, in spite of the fact that it costs very little to manufacture, it is the only genuinely pure soap on the market. The company has recently issued a book in which the complete analysis is given and this shows clearly that this is a remarkable soap. The fact that it is used all over America to day, simply through one person telling another about it, proves conclusively that it has remarkable merit.

Colorado capitalists bought the property outright, and they thus control the only soap mine known. They have taken thousands of dollars worth of soap out of the very earth, and it seems reasonable that fortunes will be made from it in the years to come. Among the prominent Coloradoans who interested themselves financially in the mine are Frank A. Joslin, a well known Denver merchant, Hon. Harper M. Orahood, a leading member of the Colorado bar, Lieutenant Governor Parks, President Daly, of the Capital Life Insurance Company, F. G. Bonfils, publisher of the *Denver Post*, Crawford Hill, publisher of the *Denver Republican*, United States Marshal Bailey, and many others. It will thus be seen that the company has considerable standing, and that there must be a substantial basis of fact. These men could not afford to be involved in anything that was not genuine.

The company, however, has reached that stage in its development where it must spread out. It must build a larger factory and get more of that $100,000,000 spent annually for soap. It will take increased capital, and to secure this capital some inducements must be made.

At the present time the company's capacity is only 20,000 cakes a day. They want to increase this to fifty or 100,000 a day. This can only be done by publicity. To push sales means to give publicity to your article and publicity or advertising costs money. It also means that more salesmen must be put on the road. Such expenses require capital, but the capital soon comes back with large interest from the increased sale of the soap. In order to get more capital to increase the plant, the Geyserite Manufacturing Company will sell some of their stock to the public, and in order to make the proposition attractive to the small investor, the stock can be had way below par at the present time.

Your Opportunity—Buy Now—35 cts. a Share—Par $1.00

Only a small lot at this price. The price will soon be advanced.

Do not take ANYTHING for granted—look into the matter fully.

We wish to urge every reader of this announcement to subscribe for as many shares as he can possibly pay for, cash or installments. We want men and women in every part of the country—yes, in every part of the world. The most scattered our shareholders, the more universally known will our soaps become, and this is the prime object in selling our stock to the public. Above all, do not delay in sending your subscription. The price will remain at 35 cents per share only for a short time, and if you send your remittance promptly you will be able to secure your shares at this price. If you desire more information before investing, write us fully. We will answer your every question and do all in our power to convince you of the solidity of this company and the safety of investment in its shares. Wire reservations for stock pending investigation to be on the safe side.

How You May Buy Stock

50 shares	$17.50 cash or	$3.50 cash	$2.00 per mo	for	7 months
100 shares	$35.00 cash or	$8.00 cash	$3.00 per mo	for	9 months
200 shares	$70.00 cash or	$10.00 cash	$6.00 per mo	for	10 months
400 shares	$140.00 cash or	$20.00 cash	$12.00 per mo	for	10 months
500 shares	$175.00 cash or	$25.00 cash	$15.00 per mo	for	10 months
1000 shares	$350.00 cash or	$100.00 cash	$25.00 per mo	for	10 months

Address all Communications and Make Remittances Payable to

Fill Out this COUPON and Mail It.

THE GEYSERITE MFG. CO., R. P. A.
25th and Blake Sts., Denver, Colo.

Gentlemen: Kindly enter my subscription for ..... shares of stock in The Geyserite Manufacturing Co., at the rate of 35 c. per share, par value, $1.00, non-assessable, no personal liability. I enclose $ . . . . first payment.

Name .....

Town . . . . . State . . .

THE GEYSERITE MANUFACTURING CO.,
25th and Blake Sts., Denver, Colo.

FIGURE 9

An Open Letter

To Wage Earners and Savers of Money.

It is now safe to say that the recent financial flurry has practically spent its force but there are several object lessons taught by the currency stringency which should not be forgotten by wage earners, savers of money or investors generally This artificial currency panic has taught people a most important lesson in respect to the fact that the Eastern bankers speculated with the funds of their depositors in stocks that were absolutely worthless—principally copper shares

The banking business is essential to the prosperity of any nation—the development of its resources and the carrying on of its daily business in all of its various and multifarious branches The banking business, however, should be conducted strictly as such and bankers ought to be prohibited by the most stringent laws from speculating with the funds of their depositors The disclosures of rank infidelity of the trusts reposed in them as bankers by their depositors has been the means of diverting public attention to the fact that owners of money may invest their own funds with greater safety than by intrusting them to the manipulations of avaricious bankers who use the deposits of their customers for the purpose of further gain and aggrandizement on their part. Legitimate, progressive banking is beneficial to all—while on the other hand speculative banking is universally injurious.

Perhaps some of you were recently informed by your banks you could not withdraw your savings without sixty days' notice—or if you had money on open account the banks would not honor your checks in currency in sums exceeding $10 each This all demonstrates the fact that money being only a medium of exchange seeks its hiding place when financial squalls come along, but good investment securities cannot be taken away from the owner—thus avoiding loss—as solid securities are always good

Therefore those of you who own stocks bonds and securities of undoubted value are better off than those who have the actual currency in the bank but are unable to get it out We want to accentuate this point and emphasize it in such a way so as to indelibly impress it upon your mind. We could go on and write several volumes expatiating upon the faults of banks (admitting for the sake of argument that the managements of all of them are strictly honest) but it would be merely a waste of raw material and would result in nothing.

If you are interested in so investing your funds as to yield the largest possible income with absolute safety to yourself we shall be pleased to hear from you as we can offer you some very choice securities now which will net from nine to seventeen per cent per annum and are as safe and solid as any investment could reasonably be expected to be

The concern upon which these securities are based has been in business continuously since 1877 and has been paying net profits large enough to yield seven per cent per annum and over upon its preferred stock and ten per cent upon its common shares--leaving a handsome surplus. Perhaps you are interested in this If so kindly write us

We are continuing to recommend the purchase of the stock of the Chicago-New York Electric Air Line Railroad This agency is a clearing-house for the Northwestern stockholders of the Chicago-New York Electric Air Line Railroad Company—most of whom are personally known to the management of this agency

The Great Northwest Fiscal Agency is one of the solidest and most substantial financial concerns in the United States of America because it has assets of $60,000 and limited liabilities The highest banking, commercial and individual references furnished upon request. We most urgently advise and recommend the purchase of dependable dividend-paying securities and we suggest the buying of good electric railway stocks below par value, which in our opinion will rapidly go to par thus making the investor large profits In our opinion electric railroad securities today constitute the best investments before the American people

We sell securities on the partial payment plan—thus affording the wage earner and saver of money the same profit-making opportunity enjoyed by the capitalist or investor, and we deliver certificates as rapidly as paid for It will cost you nothing to inquire and you are under no obligation to purchase unless you are well convinced you can make money through this agency Our services are at your command—including our best information and judgment based thereon.

We shall be pleased to hear from any reader seeking advice. No charge for consultation by mail or in person

---

Great Northwest Fiscal Agency

Suite 616-617, New York Life Bldg.,

ST. PAUL, - - MINN.

P S—Bank drafts, cashiers' checks or time certificates of deposit accepted in payment We have faith and confidence in the securities upon which they are based.

FIGURE 10

The Dalton Wonder!

Here is a proposition that has possibly come to many of you this week:

"Believing you are ready to consider an investment of exceptional attraction, because you will be securing it at an unusual figure with the practical certainty of more than doubling your money in a very short time, we are going to offer you stock in the Dalton Wonder Mining Company at 6 cents a share. * * * * * Prior to announcing the opening of subscription books, we are going to give you the privilege of coming in on the absolutely ground floor of six cents a share."

Of course you won't bother with the "ground floor," but look for the sub-cellar, where nobody can see you get in. The Dalton is surely a six-cent wonder, but it isn't much different from 90 per cent. of similar appeals to cupidity and greed. There are people who will buy this stuff, as there are people who put their earnings into other securities they know nothing about.

But what about your accumulations? Are they so handy that they may be tempted into foolish speculation or depleted by extravagance? Or are they in the Savings Department of the old FIRST NATIONAL BANK of Washington, with their safety guaranteed by a million and a half of assets, and adding their earnings to yours?

Better be safe than sorry!

FIGURE 11

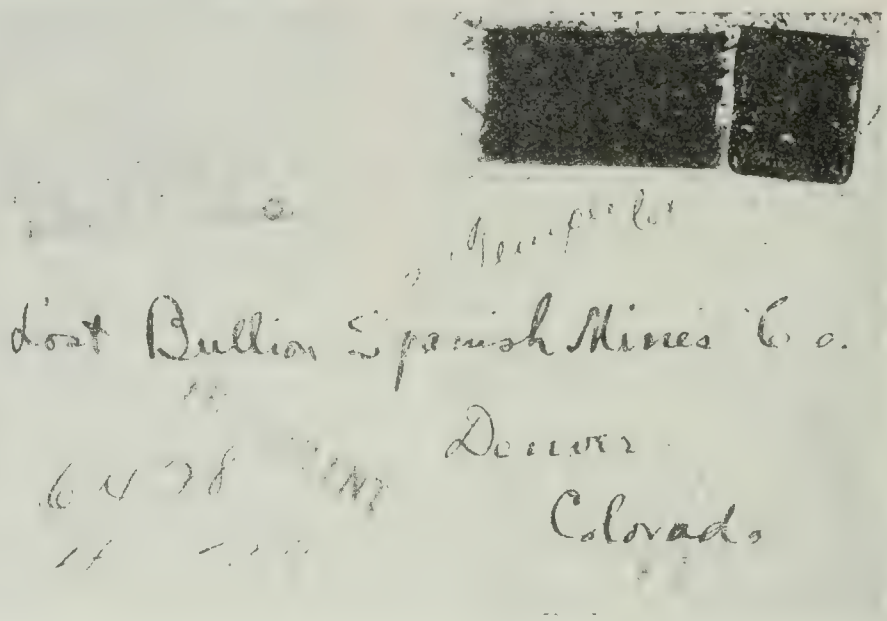
Were You In On This?

Of course you recall the glowing prospectus of the "California Fruit Growers' Association." It was going to return you something like 30 per cent on your investment, and possibly some of your savings went into the maw of this concern. The United States Grand Jury has ripened the fruit of this Association. All the officers have been indicted for using the United States mails for the purpose of swindling the public.

This is only one of thousands of similar speculative schemes which appeal to cupidity. John D. Rockefeller has the only receipt for a competency of wealth that has never been known to fail. "Hard work, self-denial and wise investment." The fraud and the fakir have added to this homely formula, and a good many of them have gotten rich quick off of other people's earnings. To invest one's savings wisely is as important as the hard work and self-denial. The OLD FIRST NATIONAL BANK of Washington provides the quick and easy way for absolutely safe investment. No matter how large or small your savings are, they are absolutely guaranteed by a million and a half of assets, by the protection of careful Government supervision, and by the character and business experience of the men responsible to you and the government for their safety.

Better be safe than sorry!

FIGURE 12



MARK the word "Fraudulent." Whenever a swindle is so frankly outrageous that it comes within the power of the Postal Department to put it out of business, all mail addressed to it is returned to the sender marked as this envelope is. The "Lost Bullion Spanish Mines Co." is but one of scores. Many a person now confidingly sending money to swindling "mining" and "investment" companies to pay for their worthless "shares" will, within a short time, get his letters back marked as this is

FIGURE 13

What the Stores Will Do

The wisdom of the plan from the standpoint of the department store, however, does not make them eligible for membership in an exclusive banking organization. They are not banks nor bankers, and they should not be allowed to consider themselves as such, nor yet to usurp the privileges of bankers. Whereas, the banker is limited to the amounts he may loan to one customer or invest in one enterprise, the department store uses all of the funds deposited for one project. It is apparently, therefore, to the depositor's great advantage to spend all of his deposit at the store, in order to keep from losing it.

We heartily sympathize with the protest of the Michigan bankers. When in some of the States the law expressly says that they must not call themselves banks nor yet give the impression that they are banking institutions, it is strange that the American Bankers' Association should have even considered their admission. It is like inviting the leaders of an opposing army to come over and glance at the plans and fortifications and measure the strength of the defences.

Without commenting on the strength of this presentation, the public will hardly be interested so long as the discussion is confined to the academic columns of the professional or trade press.

The local banks should, in any town where the department store bank proposition is threatened, combine to educate the public on the dangers of banks being mixed up with merchandising, except on a banking basis.

Some Examples

The competition of outside investment schemes should be met with feature stories in the newspapers, especially the Sunday editions. Suppose we see the Lawson advertisement (Figure 6) taking two-thirds of a page. Our banking hearts flutter and we have visions of our savings department losing some of its hard won accumulations. Perhaps we have a suggestion from our advertising manager, and we get our newspaper of largest circulation to publish a double-column editorial or a special feature story, something like that shown in Figure 7.*

The cleverness of the popular investment companies is shown in their use of pictures and designs. In Figure 8 is shown a group of mining company advertisements. These are calculated to draw the attention and the dollars of the average wage earner. The personal element is strongly accentuated.

Figure 9 shows how the appeal is made to the "people of small capital" and such advertising is calculated to get the subscriptions of the very people to whom it is addressed. In fact, such advertisements are almost invariably profitable. One who operated a scheme admitted that, "he could count on getting back the two or three thousand it cost for half-page space in several of the larger newspapers in the larger cities, and in addition at least two thousand and sometimes as much as ten thousand on the investment."

*Taken from Arthur Brisbane's editorial from the New York American.

Some Examples

Figure 10 shows another way the investment people reach your savings department.

When the proposition happens to be a fake, of course you then have your opportunity. You can, particularly if you have not been too long distinguished for dignity—and you happen to be in a section where people would rather have you right than proper—say something like the advertisements shown in Figures 11 and 12. Read both of these advertisements carefully; they are unique in bank advertising for nerve, backbone and the forceful daring of things.

If you can get a line on some of the people who have been saved by the Postoffice Department by having their remittances or correspondence returned marked "Fraudulent," like that shown in Figure 13, you should get the envelopes or have your newspaper friends attend to it and make a feature story of it in the newspapers, and then give a little talk on "security and safety" in your display space for that day.

CHAPTER XXIX

THE USE AND IMPORTANCE OF OFFICERS, DIRECTORS AND EMPLOYEES IN FINANCIAL ADVERTISING

THE U. S. TREASURY ROAD TO A BANK PRESIDENCY—HON. LESLIE M. SHAW—EXECUTIVES ORNAMENTAL AND OTHERWISE—VANDERLIPS—"HE TALKS TOO MUCH"—HOW VANDERLIPS WON OUT—WINNING FRIENDS AND LOANING MONEY TWO DIFFERENT THINGS—SOME SIDELIGHTS ON THE PERSONALITIES OF NEW YORK BANKERS—THE POLITICIAN—THE BUSINESS MAN—THE MAN WHO IS RELATED TO THE 'LARGEST STOCKHOLDER"—THE CORPORATION LAWYER—THE CASHIER IS THE HUB OF THE WHEEL—THE DIRECTORS WHO DO NOT DIRECT—WHAT THE PEOPLE THINK—EDUCATION OF THESE PEOPLE AGAIN—J. C. JOY, HAMILTON BANK, NEW YORK—F. H. SPARK, PARKE STATE BANK, ROCKVILLE, IND.—WHAT THE OFFICERS SHOULD DO—THE SOCIAL SIDE OF BANKING—HOW MUCH SOCIAL MATTERS AND MEANS CUT IN LARGE CITIES—THE NEW BUSINESS BROUGHT IN OVER THE LUNCHEON TABLE—A STORY OF THE SOCIAL ELEMENT IN BUSINESS—THE PERSONAL CALL—GOOD 'MIXERS"—POOR JUDGMENT TO DROP EITHER ADVERTISING OR GOOD FELLOWSHIP—HOW TO AROUSE AND MAINTAIN INTEREST OF OFFICERS—THE EAGLE EYE OF THE CLEVELAND TRUST COMPANY—E. G. TILLOTSON'S SUGGESTIONS—THE LATE DR. WILLIAM S. WOOD, FORMER PRESIDENT BOWERY SAVINGS BANK—THE WONDERFUL POWER OF SQUARE DEALING

IF YOU want the presidency of a New York or Chicago bank or trust company, you must first become Secretary or Comptroller of the Treasury.

The rest comes to you without asking.

Big Men with Big Names

It is undoubtedly a fact that big names are generally supposed to be the exclusive property of big men. A man who has been a big figure in the financial affairs of the government is supposed to know something about banking.

As his name has been before the nation and thousands know him, it has been considered a good piece of business to have him take charge of the affairs of some financial institution after or just before his term has expired.

Former Secretary of the Treasury, Hon. Leslie M. Shaw, is the most recent example. Mr. Shaw left the Treasury to take the presidency of The Carnegie Trust Company of New York. During that connection the trust company featured Mr. Shaw in all its advertising (see Figure 1). And the advertisements were not otherwise notable, but gave a fair example of a conservative method of exploiting the connection of a well-known public character with a financial institution. It is said, how-

Carnegie
Trust
Company
LESLIE M SHAW President
RESOURCES OVER
$7,000,000
TRANSACTS a general banking business, and acts as administrator, executor, trustee or guardian. Liberal interest paid on daily balances
115 BROADWAY, NEW YORK

FIGURE 1

ever, that this style of advertising has never been popular among those who wished to build solidly, because it smacked too much of the "guinea-pig" system of England, where a noble Lord or even a Duke has been found willing to pose as a director in corporations of whose condition and business he knew nothing, in order to get the "guinea a meeting" and the perquisites of "insider's profits" in the dividends and special melons.

As I have already said, a bank can no more escape the reputation of its officers than a man can escape his shadow.

Can't Escape Your Officers

It can be seen, even by the most dense, that the officers have a great deal to do in the creating of that good repute and character which make it possible to do effective advertising.

Men in the larger banks are not now selected for purely administrative functions.

One man is selected for executive ability in the administration of the bank's interior affairs, another for his ability to meet the big men in finance and trade, another has charge of the loans, subdivided into several departments in the best corporations, another looks after the out-of-town banks, and yet another meets the public, speaks for the bank and acts as the voice of the institution.

The chief exponent of this last position is F. A. Vanderlip, vice-president of the National City Bank of New York.

What Vanderlip Did

Mr. Vanderlip had some of the sense of organization—he had imagination—which, when it is not a very dangerous thing, is a very excellent thing in a banker, and things commenced to happen in the National City just as soon as he got his coat off, which proved that he had big men to work for. He commenced to organize the bank on a new basis—not a thing of charts and red tape and rules—but he created *esprit de corps,* which is French for enthusiasm and energy and hustle. He got everybody with him if they were worth having, and when they were not, it didn't fret him any. He got their belief by doing things himself—and then he got them to do things for him.

He made the job of selling bonds a department, and organized it to sell bonds. He pushed it and then it was but a step to getting an organization to work getting country bank accounts.

Some respectable and eminent bankers threw up their hands at that!

Then he capped the climax by actually going to the backwoods conventions and to meetings of business men in and out of town, talking, talking, talking—until some people said, "he talks too much; he'll overdo it."

But he didn't. He doesn't talk so much now, because the National City Bank is known all over the world—and so is Frank Vanderlip.

He started as a stenographer, then a newspaper man, and what he didn't know about finance when ex-Secretary of the Treasury Lyman J. Gage first met him, would have made a broker's clerk pity him.

But he found out, and just because he didn't know too much about finance he taught New York bankers a lot about how to go after, get and keep business.

How to Become a "Financier"

Now he is a financier—you see him at the dinners tendered foreign potentates—at receptions to notables—in conferences of grave import—a little more grave, a bit weighted with the cares of success, but he has got there..

The ladder was the same as has been offered in the foregoing chapters, of which this is one rung—publicity, organized publicity.

Numerous other instances of personal success might be told, but this one is conspicuous enough to serve as typical of the rest.

It is a fact, however, not to be denied that the man who can do the best service to the bank in winning friends and customers is not the right man temperamentally to run the financial end. It is the salesman's work to get the order and the credit man's to collect the bill.

These two functions have never mixed in commerce and business, and it is not likely they will mix in finance.

Where the two functions have been united the result has been almost always disastrous.

Silly of Course

Of course, it would be silly to say that the successful maker of loans must be a grim, sour, loveless, stony-hearted individual, because that would be absurd and untrue from all experience, but the two lines of work call for two different kinds of men, each are supplemental and necessary to the other in any large success that comes to a bank in any community.

In the more recent discussion of the personalities who control the destinies of the banks in the City of New York, the newspapers and magazines have freely commented on the presidents of some of the leading

banks. We are told that Stillman is a cool, calm man, who will do right and take few chances that are speculative pure and simple; that George F. Baker, however, of the First National, and a few others who give gladness to the speculative element, is a speculator, as will be shown in the condition of the First National on August 22, 1907, when it carried $53,000,000 in stocks, bonds, mortgages, etc., against $37,000,000 in loans and discounts. Of course, that was too bad of the First National, but it was true to Mr. Baker's idea of what a money-making bank should be—a money-maker for its stockholders and friends.

Personalities Which Control Banks

This is the reputation of these two great banks, both speculating banks—and both highly successful—yet we may wonder what might happen some day if a second Lord Revelstoke should succeed to the house of Morgan and the Government at Washington should cease to be complaisant and willing to advance money whenever the New York banks got a little pinched.

But perish the thought! And we are not discussing that element in banking, but only the fact that the banking reputation of the men who head a bank is the repute of the institution, because a bank is not an automatic machine, but a human system, by which that most perishable thing called credit is bought and sold.

"Perish the Thought!"

The speculator as a bank officer has his drawbacks, because the solid business men of a community do not trust him, and it is only fellow speculators who can stand close and see inside the jar.

The politician is generally tabooed because the people have no serious use for him. He is allowed to run the government because the people are too busy. The banker cannot afford to be too closely identified with politics, except in a purely conventional way, as a "good citizen."

The effect is favorable then because the people like to see him become interested in their welfare. Of course, the banker should always have ideas on national questions affecting finance and business, except where the views too closely touch politics and purely party issues. During the first silver campaign the bankers did not hurt themselves as much as it was thought they would, even in silver territories, by their stand for gold —when they did stand for it.

Then there is the business man as the head of the bank, and he is most frequently selected in the country bank. He knows the people and understands them. In many communities that I have in mind, the loans are made on the most remarkable securities. Hundreds and thousands,

Credit—What is It?

A Word Worth While

yes, millions, of agricultural money is today loaned on the "word" of the small farmer.

The business man bank president instinctively looks on credit as a matter of faith and confidence and life insurance.

The man whose father was the largest stockholder is rarely selected in these days when sanity is endeavoring to force banking to a basis of business.

The social lion, the "son of an illustrious father," more and more the "scion of a famous family," has to rustle for a chance. Thank heaven, we may escape that part of the trouble due to large fortunes.

The corporation lawyer at the head of trust companies and banks is no new thing. It is one of the indications that there is money in banking. It cannot be said, however, that banking has prospered because of lawyers.

The Best Types

I think these are the best types and most descriptive of the actual conditions in America.

There are types of men who go into banking, especially in our rural communities, who are successful just in proportion as they understand little about finance, keep an eye on their debtors, fear God and obey the statutes made and provided. True, they do not make huge dividends out of 40 per cent. call money; they keep their surplus working close home, but they have no fear of the examiner, and the "call" has no terrors.

The cashier is generally the man who comes most intimately in contact with the general public and the bank's force of employees.

This stands just as true when the latter consists of himself as well as when it counts a hundred or more.

The cashier is generally the hub of the wheel that makes the machine go round.

The cashier thus has an opportunity to demonstrate a peculiar ability as an executive.

One Man Banks

The most dangerous cashier, or president, is the one who wants to dispense with the directors and run the bank without them.

The one man bank and the one man government are out of date. The Comptroller of the Currency (Ridgely) quite recently said that no

national banking institution which complied with the law and whose directors did their duty ever need to get into trouble.

The One-Man Bank is Passing

This topic of the duty of directors is almost threadbare by this time, but it is a live and very vital matter to the people. It is a very vital matter from the public standpoint, for it is not worth while considering what *should* be done to meet the criticism; it is what must be done to silence it.

The public looks at the list of directors, sees the names of the most solid men in the community there. The public says, "Good! They are reputable and successful men; they should be capable of taking care of my money."

Imagine, if you can, however, the consternation of this public when it wakes up some day to hear that none of these estimable, reputable, honest, capable, conscientious men had ever known anything about its money, but like a lot of silly country bumpkins looking at the thimble game at a fair, had been successfully hoodwinked by the genial financier who sat at the head of the table!

Then, in times of stress, the magazines and newspapers teem with articles like this:

A Newspaper Story

> Next to murder, arson, and a few like crimes, there can be nothing more heinous than preying on the savings of the people. Our banks are supposed to be the very rock-foundation of our prosperity. Anything that tends to destroy confidence in these institutions strikes a blow that is felt in every line of industry. If our banks fail us, what in the whole country is safe? We have provided for an elaborate system of reports and bank examiners, but the evils exist in spite of them. Where is the flaw?
>
> One of the causes for a condition of this kind, as we have pointed out before in this magazine, lies in the failure of the directors of an institution to live up to their title. In a great majority of cases the directors do not direct, but leave the administration of affairs largely to the president and a small committee, and think to fulfill their obligations by simply acquiescing or otherwise in the propositions that are put before them. The surest check on the actions of a trusted executive is a watchful board of directors, and there is a growing feeling that directors should be held criminally liable for losses resulting from their incapacity or neglect of duty.

I am told that it is necessary to put big men on boards of directors, and that these big men haven't the time to "pettifog over the little details."

In the first place, it is not necessary to put men on a board who cannot attend to the work. If the right kind of advertising were done, it would not be necessary to pay for drones with big names. It is the most expensive advertising in the world to pay for figureheads—and nowhere is it so expensive as in the banking business.

No man should accept a position as director who cannot give time to examine the bank and to ascertain the true value of its assets. What is more, no bank should have a director who through actual lack of time or indifference did not direct, and any bank who has a competitor whose directors do not direct is losing an opportunity in not campaigning on the danger of the one man system.

John D. Rockefeller Says So

I believe that there should be more advertising directed to talks about the methods of conducting a bank from the inside; more talks about the method of affairs. I believe this publicity would pay because the conduct of a bank is a sealed book to thousands. I believe, as Mr. John D. Rockefeller said, "Specifically I believe in publicity. No honest corporation has any secrets as regards its management to conceal from the public."

Apart from any reservation that we may make as to the disingenuousness of the precept, yet we will admit its face value as true.

On the duties of directors, the kind that can be talked about in the public prints, here is what Mr. J. C. Joy, of the Hamilton Bank, New York City, recently said:

J. C. Joy, New York City

The ideal director should be a successful man and a man of means, for, with the usual exceptions, a man who succeeds in his own business is more likely to conduct the affairs of others to their advantage.

He ought to own a considerable interest in the bank, and be generally in accord with its administration. If he is not, and there is no likelihood of his coming to an agreement with his colleagues, then it is his duty to resign.

The ideal director ought to direct. To do this requires time, attention and thought. If he can not give these sufficiently, or is unwilling to assume the full responsibility of his position, again, he ought to vacate it.

The true director will never degenerate into a dummy, or consent to be stuck up as an ornament, or allow himself to be carved into a mere figurehead. He will have a mind of his own, kept in pretty good repair by constant exercise.

Panics will not paralyze him, prosperity will not demoralize him, for he will always remember that prosperity is never quite so prosperous as it looks, and that adversity is never nearly so black as it is painted.

The ideal director will not be always on the alert for special privileges. He will take his place in the line, and not demand that his check be cashed, or his passbook be handed over the heads of a dozen indignant depositors, nor will he steal a march on the bank's other customers by habitually asking one of the officers to hand in his check for him.

The ideal director ought to know the clerks as well as the customers of the bank. He ought to know something about their work and responsibilities, and a great deal about their pay.

When the ideal director walks by the bank at night, and sees it lighted up and the boys hard at work, he will carefully inquire and find out whether this is the usual thing: and if it is, and the men give plain evidence of being over-worked, with barely time to eat and sleep, he will put a stop to it, or something will come down.

But our ideal director will have his enemies, for if he did not, he would not deserve the name. Many people will not like him, and so much the better for him and for his bank.

Again, the following is more specific from the cashier, Mr. F. H. Spark, of the Parke State Bank, Rockville, Ind., who said:

F. H. Spark, Rockville, Indian

To the officer I would say that you must force your directors to direct. They trust you and you are honest. But you need the check and strength of co-operating officials. Lay every transaction before them. If you think a loan that, when made, you had every reason to suppose to be good, is now becoming doubtful, tell your directors at once; if they are men at all qualified for their position they will not censure, as any bank must expect some losses. Hold nothing back from them, hoping it will all turn out right in the end. Let the test of all your actions be your willingness to lay it before your directors. Be prepared for each directors' meeting with information relative to the bank's business that will get your directors talking and thinking. Keep statistics of the growth or loss of business and report them. Do not be afraid to report a decrease in the total deposits or the number of depositors. Tell them fully why Mr. Blank became offended at you or your bank and withdrew his business; they thus hear your side first, and do not get their first information from Mr. Blank, to your detriment. Tell your directors everything—all the little bits of good news and all the little troubles that we all know is talked behind the bank's railings. This gives you a chance to get their advice and to awaken their interest in the real and larger affairs of the bank. Force each director by direct questions to give you his opinion on every question brought up for discussion; silence does not always give that consent that you want. Don't have the least fear of your directors; tell them everything. If they do not like your management, far better that you know it and get in some other business than to be handling anything that you can not lay freely before them. I believe it lies with you to force your directors to direct, by developing and maintaining their constant interest in the small as well as the large affairs of your bank.

To the directors I would say: Drop into your bank every day, if only for four or five minutes. This gives your officers a chance to tell you the bank news and get your opinion on any new point. Look at the "statement book" every day; comparisons will grow interesting and you keep a run of the business. Vote yourself sufficient pay for each regular board meeting attended to justify you in taking the time to be there, and then attend every meeting. Either see that THE officer reports all matters to you unreservedly or put a new man in his place, or resign from the directory. Don't be a dummy. Do not criticise every thing; criticism does not invite confidence, and you want to know everything, good or bad. Always remember that if you reported all of your own business to some one you would have to report a good many mistakes. Good suggestions are far more valuable than continued criticism. THE officer should not ask you to take his word unsupported, nor should you so take it. It is no insinuation upon his integrity to count the cash or to see the "account currents" received from corresponding banks, to list the notes, or to see anything else for yourself. Get a general idea of the bank's system of bookkeeping; you may not be a banker or a bookkeeper, but you can easily learn to gain a quick summary of the bank's business by looking at the books for yourself. Be sure that every loan or overdraft that is made comes to your knowledge at least each month, and if you object to any loan and your fellow directors do not agree with you insist that your objection be noted in the records and then pleasantly agree with the majority. But do not shirk responsibility by being non-committal; go on record "yes" or "no" to every question discussed. When you hear a customer expressing objections to the action of some officer or employee find out both sides before you speak. It is often necessary for your officer to say "no" and, do the best he can, it will give some offense.

Directors' meetings are usually held during the day, and every one is in more or less of a hurry, and the members who are active in the bank are constantly being interrupted. The bank in which I have the honor to be a director and cashier long ago abandoned day director meetings. We hold our regular monthly meeting at night, and enjoy ample time without any interruption. This leisure brings out a

full review of the business and many general and profitable discussions. At the regular meetings every loan made since the last meeting should be carefully reviewed, the total line of credit extended any large borrowers fully discussed, and the overdraft list carefully scrutinized.

Every bank should have an auditing committee, composed of the non-official members of the board of directors, or, better still, of qualified stockholders, who are not directors who at unknown periods make a detailed examination of the bank and report to the directors in writing, and this report recorded in full on the minute book. This examination, made by men familiar with local affairs, who, being stockholders, are deeply interested, I believe to be superior for average banks to any bank examiner or audit company inspection. These men should be paid well for their services, and have full access to all moneys, books, and papers, and should take no one's word for anything, but should know for themselves every fact.

What have the duties of directors to do with their advertising value? you ask.

Directors are Advertisers

Everything. If they really direct, they are interested, and if interested, they should become ever present advertisers for the banks. They become active workers in the cause of more business. They enhance the social side of the bank's prestige because they want to be identified with it.

Some people will tell you that "business is business," but they do not seem to know that pleasure can be a business, too.

There is a very powerful social side to business that cannot be ignored, especially in New York and the other larger cities. It cuts no less a figure in the rural communities also, but with less ostentation.

The Department of New Business sometimes has the social functions to perform, but more frequently this is the particular work of the officer of the bank who handles the "big things."

How New York Considers the Social Side

The manager of a huge industrial establishment, to whom I spoke on the subject of the social element in business, was quick to pick me up, saying—*

"I could mention a dozen lines of business, including my own, in which no important action can be taken without some social preface."

"You now refer to the business men's clubs?"

"Of course," he explained. "That's what the clubs are for. You don't suppose a man of affairs goes to his club simply to eat and drink? I belong to the Hardware Club, and I tell you more business is sometimes done there across the luncheon tables than in the busiest office during a whole day. Not that an outsider would know it, though. It's done very quietly. The conversational tone prevails. A drink or two, a bite to eat, and before you know it they are swapping stories over their coffee and cigars. For dessert a brief confidential talk right straight from the shoulder—or the pocketbook—and some kind of a proposition slides down the ways out into the ocean of affairs."

Sometimes the social side is so peculiarly associated with the commercial that it is difficult to distinguish them, and the very people who are actually concerned are too closely identified with their work to even suspect the social factor in it.

"Right here in this office and nowhere else I do my business," stoutly affirmed one of New York's prominent financiers, as he pounded his desk in emphasis. "If

*From the New York Post.

a man wants to do business with me he must come here or I'll go to his office, but I wont' go to his home, his club, or his hotel, and I won't eat or drink or smoke when I talk business—that's monkey business!"

How New York Considers the Social Side

This man, who was prejudiced against the usual forms of sociability, did his "monkey business" on shipboard! He would take a party of "friends and their friends" aboard his yacht for a cruise along the coast, and by the time they would anchor everybody would consider him such a jolly good entertainer that they couldn't possibly refuse to go ashore and camp with him in his private game preserve, for what time they would lose in this way would be made up by a special train chartered to take them home in princely style.

"Don't you find that getting intimately acquainted with people this way opens the chance of doing business with them?" I asked.

"Decidedly. We all unbend. My guests see more of me as I am, and I more of their real selves, than would otherwise be possible. That means either mutual confidence or distrust, as the case may be. Personally, I like to have my perception cleared in advance of doing business."

"Now, isn't this just along the same line that I——?"

"No, it is not. The fact that we may take a liking to one another during an outing doesn't put me or my guests under business obligations. My entertainments are strictly separate from my business, and are paid for out of my own personal account. I am a host, and I am a promoter, but never simultaneously."

The truth of the matter is that the man has made it his specialty to combine his social with his business duties without mixing the two. His ability to keep them apart, and yet command them individually, constitutes his never-failing strength as a financier.

Any one who doubts the value of the social element should study the ways of the men who compose the New York Stock Exchange. Lest we forget, this institution, which practically dictates the financial policy of the country, is merely a private club of bankers and brokers, and not a corporation, as many imagine. Strong social bands hold this, our very biggest and strongest club, together. Though a seat on 'Change is worth a fortune, money only will not buy one in this money mart. The members who are related in business are generally on social terms, making it not only possible but desirable to conduct affairs in a confidential way. Even in the most critical moment, when fortunes may be at stake, a man is taken at his word; in fact, his nod is as good as a certified contract. Perhaps social influences are also responsible for the fact that there is actually little more gambling done on 'Change than in regular business. It only seems so because a great many risks are taken together at one sweep, and failure or success follows much quicker than ordinarily.

Within the past decade the consummation of large deals has certainly changed from the private office to the hotel lobby, the clubroom, or other places of social entertainment. In the line of promoting and financiering New York City is the most typical centre for this activity. The office of the modern financier is little more than a place where, for the sake of convenience, the papers are signed after the deal is made. The real work, in which the man's business talent shows, has previously been done on semi-social lines somewhere else. When the securing of capital or of interest is the chief factor, men will be found in control, who, if they are not financiers themselves, at least watch the methods of financiers, who copy them. Those men are in turn imitated by the "small fry," such as, for example, the buyers for wholesale houses or department stores, contractors for supplies and materials, traveling representatives, and thus the most active function of the business body, which is buying and selling, rather than making and producing, is slowly but surely swinging around to the semi-social tactics adopted by the modern man of affairs.

One of the most successful of reputable mining engineers and promoters, who is in daily touch with leading New York interests, attributes much of his success to his social qualifications.

How New York Considers the Social Side

"One of the toughest jobs I ever tackled," he said, "was the financing of a Southern gold mine. Had I brought my men together for a straight 'office talk' the deal would have fallen flat. You have no idea of the prejudice that still prevails here against Southern mines, though the fault is with the men who run them and not with Mother Earth. Well, I made up a hunting party—and that took time and diplomacy—chartered my train, and had them all tramping across and shooting up the country around the very claims I wanted them to inspect. And they didn't simply lark. By jove, they went right down into the old diggings, sounded the water level in the shafts, crawled through the tunnel, and scratched the dumps for specimens."

"And you formed a board of directors right there on the dump?" I surmised.

"Too busy answering questions. But they pretty soon found out that no matter how much they looked I had looked before them and farther, and for every specimen they brought to me I could show them a better one, and for every question pelted at me I had a fact for an answer. They guessed I knew what I was talking about. So I made my speech. 'This ore dump on which we are sitting, gentlemen,' I said, 'is worth a millions dollars, if a penny. It is from twenty-five to twenty-eight years old. What was worthless then is worth while today, thanks to science. This dump weighs a good deal more than 200,000 tons, and it will average $5 a ton at the lowest average; there's your million dollars, actually in sight above ground. Below ground are deposits from which more than $2,000,000 have so far been taken, off and on, by dilatory methods. The chances are that there is something left. The assayer's report says that there is every indication of another fortune in sight if we apply modern methods. We are right here at the mines. I will have ten tons of this dump treated right before your eyes to prove to you that it will average at least $5.'

"And did they go in?"

"Not then and there. But most of my guests had never inspected a mine, and you bet their eyes bagged out when my tests came true. Every man returned to New York feeling that he knew as much about the mines as I, and I had no trouble organizing what is now the biggest gold mine in operation in the South."

Even in a small way the sociable side of human nature is regularly catered to by many lines of business. Every buyer who shows up at the big New York stock rooms has money to spend for entertaining prospective customers. Some of the smartest buyers stipulate in their contracts a certain sum for this purpose, which often equals and even exceeds the regular salary. Everybody is watching for "tips." The man with a big bargain on his hands is usually so wary that much ferreting and scenting is necessary to discover him. Again, the social sunshine is turned on to thaw out the refractory one. A sight-seeing automobile ride about town, a theatre party, or maybe a "slumming" excursion is indulged in. Not that the man with the most money to spend invariably has the others at a disadvantage—in fact, many do their entertaining so distastefully as only to lose patronage—for it often happens that a good man traveling for a poor house, through superior tact and diplomacy in entertaining, wins on a moderate expenditure, where an ordinary man canvassing for a good house may spend twice his allowance and yet fail.

Outside of the business clubs there are in New York a few big private clubs, which furnish good proof that men of affairs prefer a background of sociable sentiment to the stage of business operations. Perhaps the New York Athletic Club is the most typical of this change. During the late afternoons the sumptuous interiors begin to fill with members who meet by appointment those whom they have not seen fit to see at their offices. Those who maintain apartments at the club invite their company up stairs for a smoke or a drink, prefacing a dinner served in one of the club rooms, and, on the whole, business and pleasure go hand in hand there.

"Do you see that keen-looking gentleman with the military bearing who is just sitting down with that crowd over there?" a club official inquired with a motion of his hand. "He's a railroad contractor, and one of the very biggest. He has an

office down town, but only for his assistants, it seems, as he does all his business here. This club is to him home, office, hotel, gymnasium, library and office, all in one."

How New York Considers the Social Side

"And he is but one of many, I suppose?"

"We have dozens of members who don't go down town for anything of importance; but, of course, we have more whose business demands their presence most of the day and to whom it is of vital interest to do part of their transactions here socially."

"Who's that angular, bewhiskered fellow with the sallow look?"

"One of our leading corporation lawyers. Now, this man is so regularly here every afternoon at 5:30 that we might set our timepieces by him. He meets people here only by appointment, dines very quietly, and stacks his man invariably in a corner for a close talk."

"Why always a corner?"

"Tell you why. He isn't a club-man by nature, and probably hates this place on the quiet. Still he finds it to his interest to meet here certain clients who for some reason won't go to his office. It wouldn't do for him to meet such as they at his own headquarters, the Lawyers' Club; somebody might steal them away from him there—see the point? He'll do all right for the old-fashioned 'office-man,' who has accepted an 'unconditional surrender' to the club idea. He is making a sour face at it; but I hear it agrees well with his exchequer."

"Have you much demand for visitor's cards?"

"Yes, more than we are prepared and willing to fill. That reminds me, last week, a Western fellow blew in here from the Holland House. He wanted card privilege and a room, and finding that combination was impossible he paid a whole year's membership and initiation fee so as to be allowed to pay for a suite here, which he expects to occupy for a month only at the longest."

"A rather capricious customer, eh?"

"Guess there was more business than caprice in it," the official smiled solemnly. "He is booming some Southern colonization scheme, and he has big people hustled in here in a steady stream. New York's most fashionable hotel didn't fill the bill. He had to have a club to do business."

Thousands of bank officers will say that the personal calls and talks they are able to make does more good than advertising, but that is an unfair comparison, as advertising is only intended to be a substitute for personal calls, and should not be compared with them in efficiency.

A cashier in writing me his experience, said:

A Cashier Says, "I Get the Biz"

We are not very large advertisers as our competitor does all that and we get the business. We find to succeed here in the business a man must be a good mixer. As I have known the people many years I know their ways and consequently get the biz. We have gradually increased our business while they have lost theirs to some extent. We use some calendar work and occasionally some souvenirs, but as a rule we find that if you can mix with the masses, you are in it and treat them all alike.

Probably our friend is all wrong in suggesting that his competitor is losing business because they advertise instead of "mixing." It will probably be found that the other fellow does not do the right kind of advertising and fails to "mix" besides. The cashier expresses the attitude toward the subject of mixing, however.

Getting the Directors in Line

The following experience shows what a practical handling of the question of arousing interest on the part of officers, directors and stockholders can do:

This bank was organized and began business about one year ago now. Has exceptionally strong backing, all from local stockholders. The business was larger at the beginning than at any time after, until about December. Nothing was done to advertise the bank until September, and as was natural as the enthusiasm of the stockholders further away began to cool, they gradually began to do business with other banks. In September, when I came, we first had a meeting, of all interested in the bank, and I made a special appeal to them to give us their business and to send others. This has proven a good move, and much business has resulted. I find that the most productive advertising usually is that done in getting stockholders and old customers enthusiastic, instead of apathetic. I also began sending out the paper syndicated by Levey Bros. and Co., as soon as I could get it. I made up a mailing list of something over 500 people paying taxes above $100. (In this section this covers most, though in some sections I have found that the amount of taxes paid does not indicate.) This I supplement by names given me by friends and stockholders of the banks, names mentioned in newspaper locals, and in many other ways, trying to have almost every name in our territory. We pay four per cent. interest on time deposits of 6 months or over, and this will prove a large business as we grow. We pay no other interest. So far we have rapidly added accounts from people who had before done no business with banks. My experience in this section is that any advertising that brings the name of the bank before the people in a favorable way will pay. Yet I realize too that much can be added to this, and make it pay much better. The main idea in the work here is that of education. Our bank is unusually progressive in its handling of business, as well as unusually conservative in the making of loans. We hold well to the principle of loaning only to depositors of the bank. Few banks in this section pay much attention to this line, as they usually have a borrowing class and a depositing class. Our attempt is to educate to depositing the borrowing class also, and to this end adopt the policy mentioned. There has been one failure that interferes sometimes (very rare) but ignorance is the real foe. We have the best fitted up bank in our section, in way of safes and the like, and of course stress this fact. Our stock list includes twenty-seven of the very best men of the section whose individual worth would aggregate a million dollars, which for a country bank is large. We have no difficulty in convincing people of the safety of our bank, when we can get a chance to talk to them, on account of our local backing, but it is extremely hard to get them to do business through the bank, and then it is difficult to get them to doing a real banking business. In other words, the impression is in the minds of most people about here that the main business of a bank is to loan money, and that they do not want deposits unless large ones. This as I see it is our problem, to teach them in the way of doing all their business through the bank."

One Man Didn't Know

In this method of arousing and holding the interest of the employees, officers and stockholders there is much yet to learn by some of the largest banks. I met a man who owned nearly fifty thousand dollars' worth of stock in a certain Philadelphia bank who could not tell me the names of the directors, but "they were all good men."

That was foolish on the part of the man who owned the stock, but more foolish on the part of those who officered the bank.

The Cleveland Trust Company of Ohio used to issue a little monthly magazine, (I do not know if they do so now or not), called "The Eagle

THE EAGLE EYE

STOCKHOLDERS' NUMBER

VOL. III NOVEMBER, 1906 No 11

THE EAGLE EYE

Promulgated every month by the employes of

The Cleveland Trust Company

A chronicle of their doings, a stimulus to their ambitions and a tonic for the weary-minded

THIS issue of THE EAGLE EYE will be mailed to every stockholder of The Cleveland Trust Company It has been prepared with a view of affording a general idea of the work we are doing, and to this end we publish contributions by the heads of the principal departments While the stockholders undoubtedly are able to get a pretty clear idea from our published statements of the net results which we have accomplished, the methods by which these results are secured, our plans for the future, and the spirit which animates every employe of the company can only be appreciated through the expressions of the men behind the gun

The Cleveland Trust Company is not a "close" corporation It has some 460 stockholders, and it is of course out of the question to hope that it will ever approximate those companies where every stockholder considers himself practically a managing partner Where stock is widely scattered and transfers frequently made, an intimate personal relationship between stockholders and executive force can only be approximated However, it has always been a fact that the stockholders of this company have taken an unusual personal interest in its welfare This is a gratification and inspiration to those whose entire lives are centered in the company's progress, and they are constantly searching for methods of getting in closer touch with the men who own the gun

In the nature of things this big body of stockholders must delegate the management of the details of their business to a few of their number—the board of directors This delegation of authority has been done wisely and well, and the company's success is notably due to the loyalty and constant effort on the part of these directors to build up its business But it is to be hoped that the stockholders will not rest content in the knowledge that their interests have been delegated to such capable agents Should they not rather take a more personal pride and interest in the success of the company, and as a matter of ordinary business prudence keep in touch with their investment by giving the directors and officers the benefit of their assistance, encouragement and advice? We venture to believe that they may find some reciprocal advantages from a closer association with the working force, and know that whatever may be our limitations, lack of willingness to work for the interests of the stockholders cannot be charged to our account

IN assembling the matter to be presented to the stockholders THE EAGLE EYE is pained to notice that no one has taken occasion to say anything about *its* aims and place in the daily work of the bank The managing editors, therefore, feel that they must overcome their modesty and at

FIGURE 2

Eye," which, as the head note said, was "issued every month by the employees of The Cleveland Trust Company, a chronicle of their doings a stimulus to their ambitions and a tonic for the weary minded."

The number before me is a stockholder's number, the purpose of which is to show the stockholders what the company has done and give a few hints on how the work has been accomplished.

A brief survey of the contents will be acceptable.

The page is small, as will be seen in the full-size reproduction (Figure 2) on another page.

"A word from the Manager," Mr. E. G. Tillotson, who briefly reviews the history of the company, in one part says:

E. G. Tillotson, Cleveland, Ohio

In the early days of the company when we had but seventy-five or eighty stockholders, it was an easy matter for the Executive Officer to keep in close contact with those who had furnished the capital, which he, and his superiors, the Board of Directors, were expected to turn into annual profits. Of late years, however, the number of stockholders has increased almost proportionately with the size of the business, and it is with regret that the writer acknowledges that he is not personally acquainted with some of those who are fortunate enough to be numbered as stockholders of The Cleveland Trust Company.

The Board of Directors and the official staff of the company recognized that the success of the company is in no small measure to be attributed to the efforts of its stockholders. Scarcely a day goes by that some new depositor gives as his reason for becoming one, that he was solicited by a stockholder of the community. It has been a source of pleasure to the active workers of the organization to note the intense loyalty manifested by some of our stockholders, who are small holders. Their interest seems never to flag and their power for good seems almost limitless.

In another part of the same article Mr. Tillotson calls attention to the way the company's directors direct:

Much has been said in the daily publications about directors who direct. Your directors are not dummy directors. They are closely in touch with the affairs of the company. They are looking to the future growth of the company more than to the present. They are satisfied with legitimate profits and take no chances to make extraordinary gains.

"The Eagle Eye" and Its Mission

An illustration of their attention to the business of the company was noticed recently, when two members of the Audit Committee were going over the last audit with the Secretary, three members of the Board were in another part of the office preparing a report upon a real estate loan, a fifth member of the Board was considering a question of advertising expense for the coming year, while another Director, with the Manager of the Company, was considering a corporation reorganization, which may lead to substantial fees for the company.

Then follows an article on "The Policy of Branch Banking," by E. B. Greene, in which some interesting facts are told of the work accomplished by the 15 branches of the company.

"Public Interest in the Development of the Cleveland Trust Company," tells of the company's wonderful growth.

Contents of "The Eagle Eye"

"The Trust Department," what that department does and how it does it, done in shorthand style of description. There is a big opportunity to give the public some light on what a trust department or a trust company really does, and the advantages of doing it the trust company way, but there has never seemed to be any one who could or would do it.

"The Opportunities of a Branch Manager"—which explains the article.

"The New Building"—a description of the company's new home.

"The Building Committees"—by which the stockholders are shown how carefully the specifications and plans were considered.

"The Branch Managers' Club"—an article giving the result of the contests among the branches for the largest percentage of increase, largest percentage of accounts retained, smallest percentage of expense to deposits, percentage of safe deposits, other prizes.

"The Estates Department"—Showing how this important department is managed and what it does.

"Inspector of Branches"—a new position, sounding something like that used by the Canadian banks.

"Buying Supplies for a Big Bank and the System Attendant Upon It"—this article is illustrated by some interesting forms and the title explains it.

"Safe Deposit Vaults"—descriptive.

"Bond Department"—descriptive.

"The Advertising Department"—in charge of a manager and employing four stenographers.

A chart of the organization follows, which, by the way, shows that the auditor reports through the auditing committee to the Board of Directors, and not through the officers.

It can be readily seen that such a booklet going out occasionally to the stockholders and employees would help to arouse and tend to maintain interest.

The late Dr. William H. S. Wood, when president of the great Bowery Savings Bank, told me: "Our work does not end when we have

Dr. Wood of the Bowery Savings

secured the money of the depositor, nor even when we have taken every precaution to protect and profitably invest the money while the Bowery Savings Bank is responsible for it. We devote a great deal of our time to advising our people. Many of our depositors are women, with no competent adviser, no knowledge of business; we advise and guide them to the best of our ability, making no charge therefor.

"Whenever (and mark you this, Mr. Banker) one of our depositors wishes to draw a large sum we inquire of him the purpose to which he intends applying the money. Our object is to advise against foolish, unwise investments, to protect our depositors against themselves and unscrupulous and ill-advised persons. Some of their explanations are pathetic, some astounding, others amusing."

It sounds as if we were coming back to the old patriarchal days, does it not? To hear Dr. Wood tell of calling his depositors into his office and asking them what they were going to do with their money, their own money, yet as inexplicable as that may seem to some of the bankers of today, that is what people want. The confidence and trust and faith such men as Dr. Wood engendered is an asset impossible of appraisement.

In times of stress the word of Dr. Wood would have been sufficient to have allayed the noisiest demonstration among those who knew and trusted him. It has been said that the Bowery Savings, the greatest savings bank in the world, could not fail. Suffice that for the future, but it demonstrates a wonderful power in square dealing and the strength that lies in good repute.

It Must Be Admitted

As has been told, the public by right of might, is ruler and the ruler must be obeyed. It has been said, "By the officers shall the company be known; by their acts shall they be judged."

So be it.

From that there is no appeal.

The greatest men, the most successful, the most powerful, have recognized it, as Mr. John D. Archbold, vice-president of the Standard Oil Company, admits, as Mr. Morgan has admitted, and now the banks will have to obey the summons and it will be an era of compulsory publicity, with, finally, stringent penalties for lying.

CHAPTER XXX

SPECIAL ADVERTISING PROBLEMS OF THE COMMERCIAL BANK, NATIONAL, STATE OR PRIVATE

THOSE WHO ADVERTISE HAVE A GREATER CHANCE OF SUCCESS THAN THOSE WHO DO NOT—ADVERTISING GOOD FOR ALL BANKERS—THE HOPELESS TASK—THE SCHOOL GIRL FROM PULLMAN, WASHINGTON—CASHIER WILLIAM C. WHITFORD ON "DISCOUNTS"—EDUCATIONAL ADVERTISING FROM BANK OF MOUND CITY, MISSOURI—THE PRIVAVE BANKER'S TROUBLES—SUGGESTIONS BY A TEXAS BANKER—ARGUMENT FOR THE PRIVATE BANKER

ACCORDING to Bradstreet's nearly eighty per cent. of the concerns that fail in business are those who do not advertise. With this comforting thought I want to make a few final suggestions to the commercial bank.

The Indian and the Feather Bed

I start out in this way for another reason, because many commercial bankers say, "Oh, you know, advertising is a very good thing for trust companies, and even for savings banks, but a commercial bank has nothing to advertise but its statement." The statement is inserted in newspapers when Uncle Sam calls for it; and if it doesn't produce business, which, of course, it cannot, because so few understand it, the banker further remarks, "Why, our statement, no matter how favorable, never brings us the least business." Which puts me in mind of the Indian who heard a great deal about the comfort of feather beds; procuring a feather, he carefully laid it down on a board, laid himself down on top of it and went to sleep. When he awoke he arose, rubbed his stiff joints, threw the feather away and remarked, "White man's bed heap big lie."

There are commercial bankers who adopt this method of "proving advertising to be a delusion." They point to banks that have failed, especially the advertising banks. The winter of 1907 and '08 was a great season for the anti-advertising commercial banker. Every advertised bank was a failure "because it advertised." Of course, such a misstatement of facts reflects credit for neither honesty nor shrewdness on the banker who makes it.

I shall not attempt the hopeless task of convincing the man who has gone this far that commercial banking can receive a big help from advertising.

The principle is as plain as the infant's A B C. The commercial bank's profits depend largely on the amount of deposits, which in turn

Your Bank

should be strong financially; conservatively, yet progressively managed; accommodating and accessible.

The seven million dollars capital and surplus of the Old Colony Trust Company guarantees its strength.

The conservatism of its management is reflected by the position it occupies in the banking field.

The accessibility of its two offices is apparent.

Old Colony Trust Co.

Main Office
Ames Building

Largest in Massachusetts

Branch Office
52 Temple Place

FIGURE 1

YOUNG men will do well to investigate the advantages offered them by this bank in financing their business.

The management will be glad to talk over with them any plan of co-operation looking to the advancement of their interests.

The First National Bank

202 Devonshire Street

FIGURE 2

This display is dignified yet attractive and in excellent taste.

depend on the knowledge and faith and confidence and desire of the people who have the money to give it to the bank.

Banking is "Different"

The country banker, the banker in the cities and towns of 100,000 to 2,500 people, are realizing the need of advertising and doing it better than the banker in the large cities. There is a simple reason—the banker in the large city is a professional financier, who generally knows nothing about the business-getting side of business, and who has been trained to believe that "banking is different." The country banker, on the other hand, has generally risen to his position through the success with which he has conducted his own business.

He knows the value of printers' ink, he has few traditions, few rules and wants to make money. His hard common sense says bid for business in the open rather than behind closed doors. He gets business because he can draw the money out of the hiding places of the small depositor, and he has made commercial bank advertising successful.

The remarkable thing is that the public should appear to know this subject so much better than the professional banker.

Here is an essay written by a school girl of Pullman, Washington, for a prize offered by the First National Bank of that town.

Read this little girl's essay.

It contains the whole philosophy of advertising, and it should be placed above the cashier's or advertising manager's desk of every bank in the country:

WHY SHOULD A BANK ADVERTISE?

A Little Girl's Essay

The fundamental thing banks wish to secure is the confidence of the people.

Banks do two things: They loan money, and receive deposits. To have opportunity of doing this, they must have the confidence of their depositors. One of the most common ways of securing confidence is by advertising, and thus advertising plays an important part in the affairs of the bank.

Successful advertising is sometimes defined as continual repetition, whereby the eye, from constantly seeing a certain advertisement, becomes impressed, and the person is willing to investigate. Another definition of advertising is that of variation, so many good reasons for dealing at a certain place being given that one is impressed, as in the former case. To secure confidence by advertising, frankness is necessary, for people quickly see through misrepresentation. The advertisement must be directed to the general people, for they are the ones who hold the wealth of the Nation, and not the capitalists, whose money is probably wrapped up in stocks and bonds.

The common people are necessarily cautious, and by impressing upon their minds that the bank is perfectly safe, it will gain their support for they are, as a rule, looking not for a place to make money, but for a place to keep it, and hence the rate is not so important. But, again, some people might be impressed by the fact that a little money, put in each week, at compound interest will soon amount

TO DEPOSITORS IN BOSTON BANKS:

We Collect Checks Free

throughout the United States. The exchange charges are worth saving. All that we ask is that you carry a portion of your account with us, on which we will allow interest. All business may be transacted by mail.

WRITE TO US

HAMPDEN TRUST COMPANY

SPRINGFIELD, MASS.

FIGURE 3

This display is dignified, yet capable of reproduction in the average office. The white space is very effectively used.

National Bank Protection

means a great deal to you as a depositor. In point of working capital—capital, surplus and undivided profits, $18,620,704.34—*The National Bank of Commerce in St. Louis* ranks first among the National Banks of the country outside of New York City.

Our books are examined by National Bank examiners under the supervision of the Comptroller of the Currency at least twice a year.

There is no better security than that

For Your Savings

Thrift is a simple thing but it means a great deal. It is the foundation of financial success and contentment. Save money and put it away safely.

"You and the Rainy Day" is the title of a book we have just issued for free distribution to people interested in saving and making money. It describes our 3% Certificates of Deposit—a safe, convenient and profitable form of investment for sums of from $50 up.

Send for the book today.

The National Bank of Commerce

in Saint Louis

Broadway and Olive Street

FIGURE 4

Rewarding Faithful Service

The National Bank of Commerce in St. Louis believes that in rewarding the faithful service of its employes it promotes the best interests of the bank and its patrons.

So the Employes' Pension and Participation Funds of this bank were voluntarily created and are maintained from the bank's profits.

Officers and employes who retire after twenty-five years or more of continuous and honorable service receive a pension of 50 per cent of the average monthly salary received during the term of service. Those in the employ of the bank for at least five years, and leaving because of physical disability to work, during the period of disability receive 10 per cent of the average monthly salary paid. Two per cent is added for each year of service up to twenty-five years, when the same pension is paid for temporary disability as upon honorable retirement.

The Participation Fund provides for the annual distribution of a certain amount of money among the officers and employes of the bank in proportion to the salaries paid during the year. This is a feature peculiar to this bank. So far as known, no other bank shares its profits with its employes in this way. Last year every employe of *The National Bank of Commerce in St. Louis* got more than two months' extra salary from this fund.

This bank has a dining-room and fully-equipped kitchen from which meals are served to all the officers and clerks in the bank. There is thorough ventilation in the banking-room, cold air being pumped over it in the summer and hot air in the winter.

These are some of the reasons why we keep our employes and train them for long and efficient service for the bank and its customers.

The National Bank of Commerce

in St. Louis

Broadway and Olive Street

FIGURE 5

This display is forceful, but the wording is crowded

to a large sum. Therefore it is well to speak of that, if compound interest is given.

A Little Girl's Essay and Its Lesson

Another thing likely to inspire is a statement of who the directors are, especially if they are honest, influential men. The resources of the bank should also be mentioned, telling how strong it is, the dividends it gives, its United States bonds, and its surplus always on hand.

The requirements which a person must have in borrowing might also be mentioned so that the people would know exactly where their money was.

In an advertisement it would also be well to speak of the savings bank, for in some places, as in New York, the directors of the banks are required to be especially careful in their use of these deposits. Therefore savings banks are very apt to be safe.

Altogether, a bank advertisement should be brief, clear and forceful, and should state exactly the condition of the bank.

ESTHER BULL.

This particular essay is unusually well arranged and worded for a school girl, but conveys the public feeling so admirably that it deserves consideration from that class of pessimists who look on any talk on advertising by advertising men as special pleading, therefore to be discounted to the limit of the ignorance of the pessimist.

The commercial banker has plenty to talk about, as has been shown in the hundreds of points and suggestions furnished by a careful reading of the preceding chapters. The application of those principles will suffice.

The commercial bank must make a great deal of its talk on service and security. See Figures 1, 2, 3, 4, 5 and 6.

The latter may be accomplished by talks on the figures. The former calls for more extended treatment.

William C. Whitney, Alfred, N. Y.

I quote the following from an article by Cashier William C. Whitford, University Bank, Alfred, N. Y., on the question of discounts. Such an article could have appeared in the local newspaper without quoting from any particular bank, of course, but would have had an effect on the business mind of the community. It would demonstrate *how* the bank makes money, a thing hardly five persons in ten understand. Mr. Whitford says:

The cashier of a Western bank was recently tempted to resign because the directors insisted upon his charging more than the legal rate (8 per cent per annum), for the loans made by the bank.

A college professor called a New York State bank a robber because the cashier of that bank asked a considerable more than 6 per cent interest for a small loan for a short time.

Now what are we to infer? Is a bank overstepping the bounds of propriety, not to say of justice, when it collects one cent more than the legal rate of interest? The answer to this question depends upon the nature of INTEREST. If it is really an exaction or tribute which one class in society levies upon another, then it is

WE BANK ON YOU
YOU BANK WITH US

We want the people of South San Francisco, San Bruno, Colma and the territory surrounding to remember the following:

FIRST—When the Governor of California began declaring holidays, so that Banks could refuse payments of checks if they desired, and other lines of business could in a similar manner prevent temporary embarrassment, THIS BANK DID NOT take advantage of this privilege, but remained open EVERY DAY, as usual, meeting every demand;

SECOND—When the Banks throughout the State limited the amount of cash which they would pay to a depositor, to his actual needs, THIS BANK DID NOT limit the amount paid out;

THIRD—When the Savings Banks throughout the State required a thirty or sixty day notice of an intent to withdraw savings deposits, THIS BANK DID NOT ask notice, but paid the amount wanted;

FOURTH—While depositors carrying their accounts in the City were temporarily embarrassed through their inability to draw money and meet their obligations, the depositors of THIS BANK were caused no such embarrassment;

FIFTH—Banks through the State, large and small, followed the example of the banks in the large cities, thereby causing unnecessary distress and alarm. THIS BANK followed the example of none, but acted independently for the benefit of its customers.

Why Did We Do This?

FIRST—Because we had good, strong interests behind us—financial interests that are determined to see THIS Bank serve its customers to their advantage;

SECOND—Because we had ample cash in our vaults to meet all reasonable demands, and we have five times more cash now than we had three weeks ago—we are getting stronger every day;

THIRD—Because we had CONFIDENCE in the people of this vicinity—and we want them to have confidence in us.

In conclusion: IF YOU are not doing your Banking Business with us, but carry your account in some other Bank, and have been embarrassed during the weeks just past; or if you keep your money in a safe deposit box, or hidden around the house, open up an account with us.

You live here, do your business here, and your interests are here, and we should all work together for everything to the advantage of this vicinity.

Bank of South San Francisco

P. L. LILIENTHAL, President C. F. HAMSHER, Cashier

FIGURE 6

This advertisement is well balanced but is displayed in type too small to be easily read. The space should have been twice as large.

William C. Whitney, Alfred, N. Y.

appropriately restricted by law within fixed limits; but if it is the proper reward for the use of money, then it may justly vary according to the circumstances.

A teamster with his span of horses labors in some parts of the country for three dollars a day, in others, for four or five dollars. The same teamster works for three dollars a day in ordinary circumstances, and for twice that sum in haying time. It is just as appropriate that the rate of discount should vary. A teamster usually will not work for an hour or two at the same rate he would work all day. It can hardly be expected that a banker should loan twenty-five dollars for one month at the same rate that he would loan a thousand.

A market-man can not sell all his goods at precisely the same advance upon the cost price and do justice to himself. He might, perhaps, sell more produce at only 25 per cent. advance and be able to pay his rent and the wages of his helpers; but for perishable fruit he must often ask double what he paid in order to take care of the risk of total loss upon some shipments.

The careful banker must charge a higher rate of discount for a loan secured by the names of two men whose capital is engaged in a somewhat hazardous business, than for a loan secured by the deposit of government bonds. Of course, no loans should be made that are not safe, but there are certainly degrees of safety.

In New York State it may be a technical violation of the law to charge more than 6 per cent. interest, but the law recognizes the principle of variation in the value of the use of money, for it provides that pawnbrokers may charge as much as 36 per cent., and puts no limit at all upon the rate for demand loans of five thousand dollars or more, secured by collateral.

As a conscientious teamster will not take advantage of the farmer who has hay down and not help enough to get it in before rain comes, so the conscientious banker will not demand more than a fair compensation for the use of money no matter how great is the necessity, of the borrower.

What the fair rate is can not be fixed arbitrarily. It certainly is not appropriate that it should be established by our ancestors.

Some people make an unfair use of the Bible in arguing about interest and usury. The reformer Nehemiah (see Book of Nehemiah, Ch. V.) was not condemning a fair return for the use of money, but the extortionate interest exacted by the rich who oppressed their poorer brethren. In the earliest age of Hebrew civilization, gold and jewels were hoarded as idle capital. If a portion were loaned to a brother he would appropriately return no more than he borrowed; for it would have brought no income in the hands of its owner. In the New Testament age, however, interest was regarded as the legitimate increase of capital. Compare the words of our Lord to the unfaithful servant in the parable of the pounds: 'Then wherefore gavest thou not my money into the bank, and I at my coming should have required it with interest?' (Luke 19:23, R. V.)

It is to be remembered that the English word "usury" in 1611 when King James' Version was published, was practically equivalent to 'interest' and had none of the unpleasant associations which are attached to it in modern times.

Bank of Mound City, Missouri

Here is another talk that could be made the subject of a newspaper article and should afterwards be printed and distributed in pamphlet form by the banks of a city. This letter was issued by the Bank of Mound City, Missouri, and is a good example of the educational work in line with the determination of the people that quasi-public corporations shall obey the laws:

One of our stockholders recently told us that "We were too particular about Overdrafts;" one of our customers after doing business with us for several years got mad because we would not permit him to continually overdraw, and said, 'We

were cranky;' still another man, whom we had repeatedly solicited to open an account with us, did finally open an account, and in the 130 days he had an account with us, was overdrawn 37 days—more than one-fourth of the time, and when we finally notified him to fix it, he got mad and quit us. The Bank Examiner was in town last week examining one of our competitors. He called on us for a few minutes, and examined the statement of our business of August 7th, on which date we had overdrafts of only $51.30, he said: 'I see you keep your overdrafts quite low. That is fine, and is SAFE banking.

Bank of Mound City, Missouri

Above are given four view-points of the problem of overdrafts, and it will give you an idea of how hard it is for us to please every one. We can not do it.

Section 23, of our By-Laws reads—"Overdrafts positively forbidden."

The State Banking Department does NOT sanction overdrafts, and if we permit them, they perhaps write us as follows:

"While your overdrafts on the date of the examination of your bank were not numerous or large still the report discloses the fact that some of your customers are permitted to habitually overdraw their accounts. I would advise against this policy and recommend to you to reduce your overdrafts to the minimum and keep them there."

Now there must be some good reason for our trying to discourage overdrafts, and we want you to know them, so you can help us when you hear any one criticising us for seeming "particular" or "cranky" about them.

The proper way to borrow money is to give a note for it. An overdraft is an unsecured claim liable to dispute the same as any open account with a store.

A bank is for the purpose of RECEIVING deposits, paying them on demand, and loaning a portion of the deposits, taking as evidence of the debt a NOTE. The purpose of a bank is NOT to allow its customers to overdraw. If each one of our seven hundred customers should feel at liberty to overdraw whenever he wished, we would soon want to go into some other line of business.

In the case of the death of the party overdrawing before his having made a deposit to cover the overdraft, the bank would have to probate the account, and it might be two years before the claim would be paid, and the bank get its money back.

The laws of this State hold the cashier PERSONALLY responsible for overdrafts, and it is not right to make HIM responsible for the obligations of another.

The higher courts of this State have decided that the Directors of a Bank have no power to authorize overdrafts, and the fact that they sanction them does not relieve the cashier or his bondsmen from liability for losses if thus sustained.

The courts have further held: To make an overdraft was a fraud in law on the part of the drawer; to pay or authorize the payment was a fraud in law on the part of the officer paying or authorizing payment.

Because we do not want our customers to overdraw is no reflection upon their credit, for any responsible person can get all the money needed for legitimate enterprises on his NOTES.

Do you not see that in this matter of overdrafts we are not governed entirely by our own feelings in the matter, but

By the By-Laws of the bank;

By the State Banking Department, and

By the rules of good, sound, safe banking, and THAT is what we claim to do. If you had a large sum of money to deposit in a bank, would you not put it in the bank that you thought was doing business SAFELY, and was frank in its condemnation of unsafe practices in banking, and was endeavoring to do a SAFE business? Your help in this matter of overdrafts will be greatly appreciated. The more fairly we deal with the public, the more freely can we expect them to deal with us. An

THE FIRST NATIONAL BANK OF CHICAGO

OFFICIAL ORGANIZATION

JAMES B FORGAN, President

Division "A"

HOWARD H. HITCHCOCK, Vice President — E. S. THOMAS, Assistant Manager

Collateral Stocks and Bonds
Grain, Flour and Feed
Meat Products, Live Stock Commission
Coal — Doctors and Lawyers

Division "B"

FRANK O. WETMORE, Vice President — M. D. WITKOWSKY, Assistant Manager

Dry Goods, Millinery — Woolens, Clothing, Cloaks
Furnishing Goods, Hats and Caps
Jewelry and Merchandising Sundries
Transportation — Ladies

Division "C"

CHAS. N. GILLETT, Cashier — H. A. HOWLAND, Assistant Manager

Agricultural Implements, Buggies, Automobiles and other Vehicles
Iron and Steel Products
Lumber, Furniture, etc. — Manufacturing Sundries

Division "D"

RICHARD J. STREET, Manager — A. W. NEWTON, Assitant Manager

Stone, Brick, Cement, Contractors
Wallpaper, Paints, Oils, Glass, etc.
Boots, Shoes, Leather, Hides and Wool
Real Estate and Insurance
Publishing, Printing, Engraving and Paper — Miscellaneous

THE FIRST NATIONAL BANK OF CHICAGO

Division "E"

CHARLES H. NEWHALL, Manager — JOHN P. OLESON, Assistant Manager

Wholesale and Retail Liquors, Brewers and Brewers' Supplies
Tobacco
Produce Commission and Cold Storage
Groceries, Drugs, Restaurants — Bakers and Hotels

Division "F"

AUGUST BLUM, Vice President — HERBERT W. BROUGH, Assistant Manager

Banks and Bankers

Law Department

ORVILLE PECKHAM, Attorney — JAMES D. WOLEY, Assistant Attorney

Bond Department

E. K. BOISOT, Manager

Foreign Exchange Department

FRED I. KENT, Manager — JOHN J. ARNOLD, Assistant Manager

Auditing Department

H. L. DROEGEMUELLER, Auditor

Discount and Collateral Department

E. J. BLOSSOM, Manager

Credit and Statistical Department

E. A. ERICKSON, Manager — WILLIAM J. LAWLOR, Assistant Manager

Clerical and Bookkeeping Department

WILLIAM H. MONROE, Asst. Cashier

FIGURE 7

In this organization plan, published in so many of the booklets of the First National Bank of Chicago, we see the growth of the specialization idea. It is excellent advertising for the business man to thus see that ***his*** particular line of business is in the hands of a specially qualified man, who is familiar with the real and exceptional conditions that govern credit in ***his*** line.

occasional small overdraft can not sometimes be prevented, but the continued, chronic, long-standing overdraft is to be discouraged.

I shall not answer the criticisms of those who say, "It would unsettle conditions to advertise in this way, because it is often necessary to grant overdrafts, and it is not a wise policy to advertise the fact that a banker takes risks." **Won't Do It**

Sufficient to say: Every man, woman and child knows that a banker makes bad loans; they know banks fail, and they are being educated to believe, by fake investment schemers, that banks make a practice of *speculating*. Let the banker do some of the talking and reap the inevitable benefit of candor, the confidence of *intelligent* people. The anti-bank people have been doing too much of the talking.

The private banker comes in for a great deal of criticism. He is looked upon enviously by his state or national brother, and has to bear the brunt of a great deal of criticism, rarely outspoken.

I like the way W. D. Sanders, Cashier of The DeKalb Exchange Bank, DeKalb, Texas, went at the question in a booklet issued by him. **W. D. Sanders, De Kalb Texas**

It is strong reading, but it says something in a strong way, and it is calculated to inspire business.

Its perusal may prove helpful since it gives the points that any private banker can make use of in his advertising. It bears the title:

HERE ARE THE REASONS.

We have been advertising our business rather extensively during the past few years, but it has been rather difficult to explain the entire workings in any one piece of literature, and this has caused a great number of people to come to ask us for more information about the banking business. If the bank could help them, they wanted to know in what way; in fact, to a certain extent, they were ignorant of banks, and banking methods. We always take pleasure in explaining these matters and as a great majority ask practically the same question, we have prepared this little booklet, and have had it printed in the form of a dialogue, each question answered in turn.

If we have failed to answer any question that you can think of, or if we have not answered any question as fully as you would have liked, come in and ask us more about it.

We all admit the necessity of banks; then it is only a question of what bank can be of the greatest benefit to you. Read this book carefully and we will endeavor to show you what we have to offer.

"Mr. Sanders, I notice that on all of your signs, stationery and advertising matter of all kinds, you always print the word UNINCORPORATED. What does it mean?"

It means that this is a private bank as distinguished from a national or a state bank.

"What is the difference between them?"

THE BOLL WEEVIL

is with us, but we do not intend to let him interfere with our business, nor do we intend to take him into consideration in furnishing help to those who have seen fit to place their business with us. Those of our customers who may find that they need some financial assistance will find that we will furnish it just as cheerfully and liberally as if there were no boll weevil here.

We have endeavored in the past to place our business with the better class of farmers; farmers whose honesty and reputation for fair dealing entitle them to our help. Confidence is the foundation of all business, and because we have great confidence in our customers is why we do not pay any attention to the boll weevil.

We believe that the wheel of fortune is constantly turning. To-day we are on top; to-morrow we are on the bottom, and those of our customers that were with us while they were on top will find us with plenty of strength to help pull them up when they are on the bottom.

We are able at all times to take care of our customers, and it gives us pleasure to do so.

The DeKalb Exchange Bank

DeKALB, TEXAS

W. W. SANDERS, President W. D. SANDERS, Cashier N. K. FUREY, Asst. Cashier

W. S. LAWSON, Manager Avery Branch

FIGURE 8

A Plea for the Private Bank

There are a great many differences, which I shall explain later, but the first and main difference is that all of the property and real estate of every description of a private banker is liable to his depositors. In other words, he will have to give up everything he owns to protect his depositors.

"Is this not the case with the owners of other banks? Are they not responsible for the money I leave with them?"

Certainly not. The owners of a national bank are only liable for an amount equal to the amount of stock they own in the bank.

"Why is it that way?"

It is simply to protect the stockholder and to let the depositor take only what is in the business.

"You do not mean to tell me that when I put my money in a national bank that the officers who receive it are not personally responsible for it?"

That is exactly what I mean; and on the other hand, the private banker is personally responsible for every dollar you leave with him.

"But even if the officers of a national bank are not responsible for my money, the government guarantees it, does it not?"

The government not only does not guarantee one cent of your deposits, but when it puts its own money in a national bank, it demands government bonds as security for it.

"But it does look like the government would deposit its own money in its own banks without security, when they ask me to do so."

But they do not do it, and probably they also have good reason for not depositing any of it in the smaller national banks with only $25,000.00 capital.

"But I have been led to believe that the government was beheind every dollar I placed in a national bank."

While no national banker has ever told you that the government was behind him, yet he has been skillful enough to infer as much, and place you under a wrong impression. The government has an examiner to inspect the books of a national bank twice each year, but as the principal assets of a national bank consists of notes, and the examiner not being acquainted with the makers of them, and not knowing local conditions, it is impossible for him to tell much about them.

"You say that the principal assets of a national bank consist of their notes. What do your assets consist of?"

In addition to the assets of every sound bank, consisting of cash and good notes, this bank is backed up with the additional assets of our entire real estate and personal property of every description, which is behind every dollar deposited with us.

"I am a young man and in the near future, I want to buy a farm. In what way can your bank help me?"

If you begin to deposit your money with us, giving us all of your business, we shall be glad to assist you in buying it. Whenever you can pay one-third down in cash, we shall be glad to carry the balance for you.

"Is a national bank able to do this?"

They are not permitted to assist you with your land. The law expressly prohibits them from buying land notes.

"But the national banker told me that he could take land notes."

Yes, but whenever he does it, he violates the law, and will be called down by the government for so doing. Some national banks are merely agents for "sharks" who buy land notes. In this case, your note does not stay here, but is sent off and held by some one who is not acquainted with your condition and would not feel under any obligations to grant you any extensions in case of short crops, as would a man with whom you had been dealing.

"Don't keep your money in a sock or safety deposit. Put it in a bank where it will help business, which means your business, no matter how small the job you may hold. Satisfy yourself that your bankers are square men and then stick to them, panic or no panic, and there will be no panics."—*Saturday Evening Post Nov. 30, 1907.*

How This Bank Invests Its Money:

Loans secured by mortgage on real estate in South San Francisco - - - -	$32,410 00
Loans of individuals living, and firms doing business in South San Francisco, San Bruno, Colma and vicinity - - - -	88,814 89
Loans secured by mortgage on real estate in San Francisco - - - - - -	200 00
Loans secured by mortgage on real estate in Alameda - -	3,500 00
Bonds of California corporations - - - - - -	39,296 81
	$164,221 70

This Bank is managed for the benefit of the people of South San Francisco, San Bruno, Colma and vicinity.

We have confidence in you, and want you to have in us.

Bank of South San Francisco

P. N. Lilienthal, Pres. Leroy Hough, Vice-Pres.
C. F. Hamsher, Cashier

Figure 9

This advertisement has the directness and candor which the public likes.

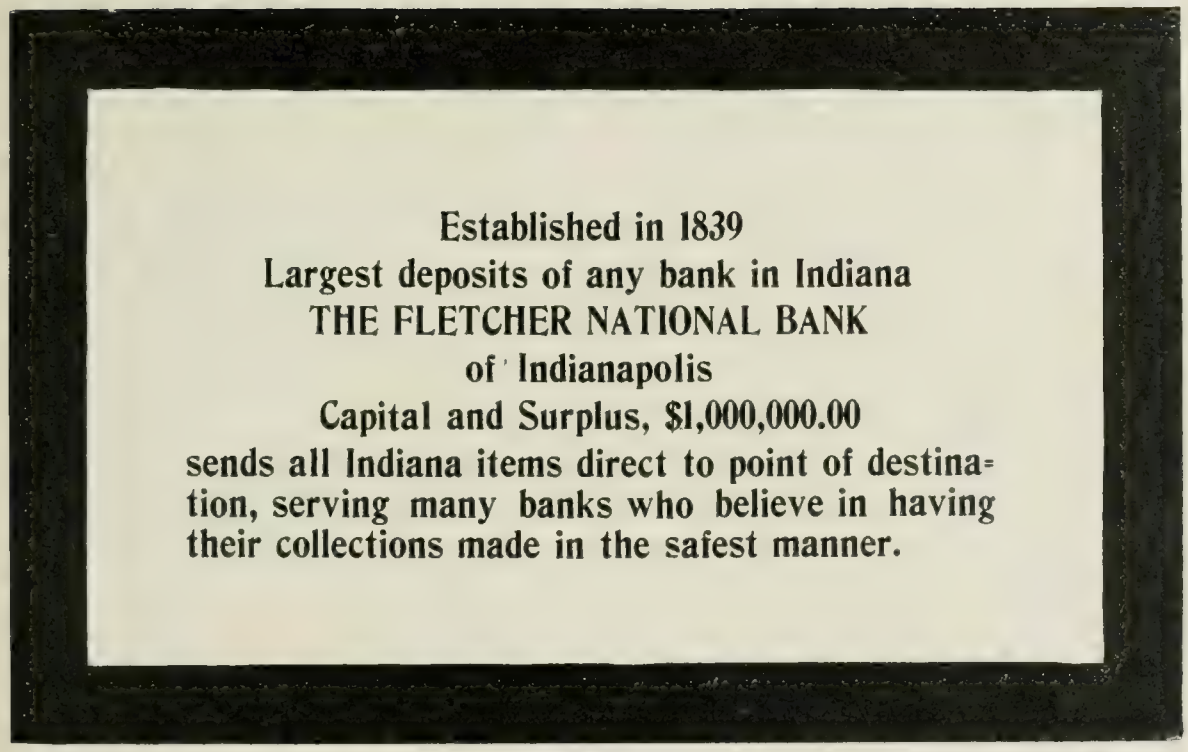


FIGURE 10

"Who is dead?" Isn't it surprising that any one should take this means of "attracting attention." Only bold, black borders are associated in the public mind with death, disaster and mourning.

A Plea for the Private Bank

"But the national banker told me that he could evade the law in this respect."

Yes, and this same law that he can so easily evade is the same law he was telling you about being so good for your protection, and whenever he tells you that he can evade the law to help you, you can rest assured that he can just as easily evade it in ways that probably would not be to your advantage.

"What advantages has your bank for the merchant or business man?"

First, we are able to make large loans, such as are necessary in the development of our town and surrounding country. A number of our customers require from $5,000.00 to $10,000.00 each, and some of them much more. A national bank in the small towns with only $25,000.00 capital is not permitted by law to loan one man or firm but $2,500.00, which is not enough to carry on their business. I know some national banks whose own officers and directors have to go to other banks to borrow money with which to run their own business, as their own bank is too light to carry them.

"'Are you able to take care of all of your customers?"

There has never been a time when our customers could not get all the money from us that they were entitled to. Our customers never have to go elsewhere for money. Another advantage that our customers have is that when they wish to borrow money, they only have to see one man, whereas, with a national bank, his application for a loan must be submitted to a board of directors, consisting of at least five men. Some of these men may be his business rivals, and he would not like to place his business before them.

"You do not mean to say that if I want to borrow money from a national bank that my financial affairs would have to be raked over by a number of men, do you?"

That is exactly what I mean, and I will go further and say that a national bank is usually made up of a great number of stockholders. Each one of these stockholders has a perfect right to inspect the books of the bank, thus finding out how much you have on deposit; how much you owe, and in fact all about your business. In dealing with our bank, you only have to see one man regarding any business you may have; we have no stockholders and no one except our bookkeepers will ever know anything about your business.

"In what way can your bank be of more service to a town and country than a national bank?"

First, this bank assists in building brick houses, giving the owners long time in which to pay them out. We also assist in building residences, arranging monthly payments so that a home can be paid out in a few years without ever feeling the strain.

"What privileges and advantages does a customer have in borrowing money which is not granted to other people?"

In times of depression, such as we commonly call hard times, we always curtail our loans, so that we may always have on hand plenty of money with which to accommodate our customers. While we may not let out our money during these times to an outsider, we cheerfully furnish our customers what they may need. Our customers also get the benefit of the best interest rate to be made.

"I had a national banker tell me that when a man borrowed money from him, he could rest assured that it was at the same rate as others were getting it."

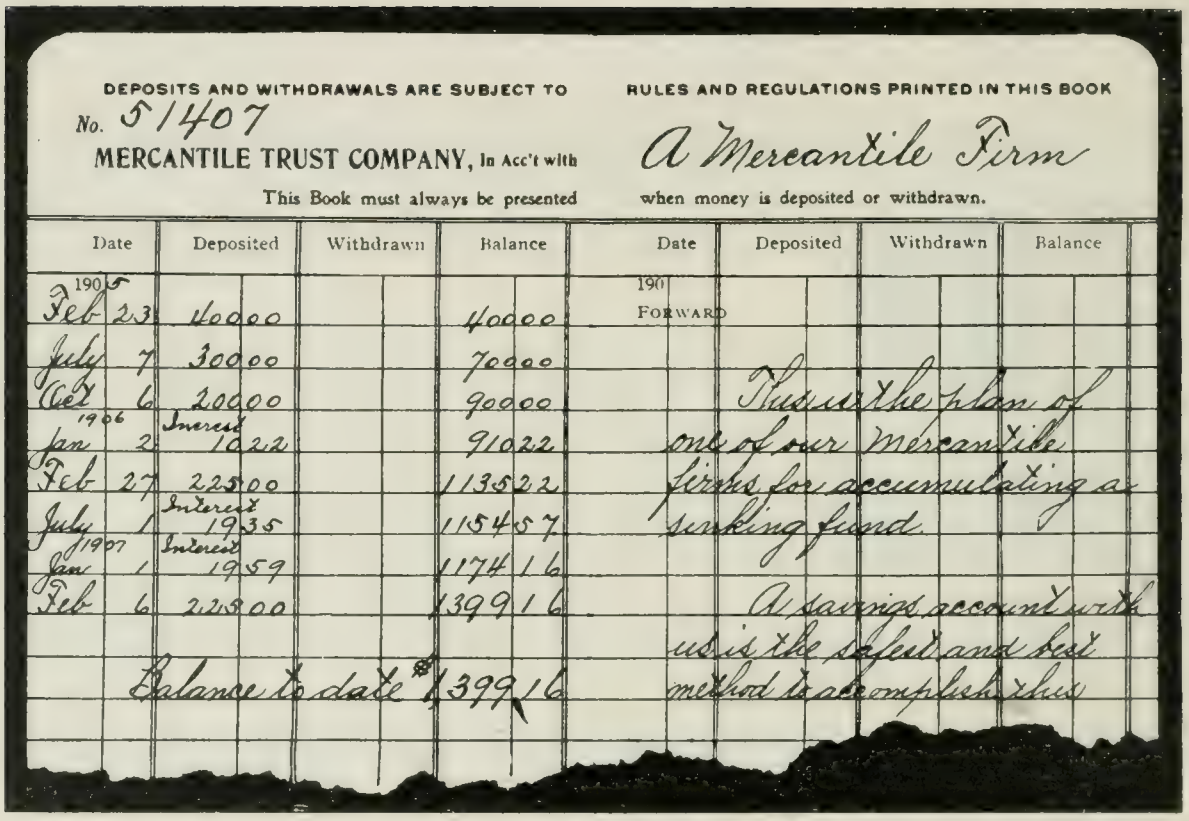
I do not believe this and neither do you. We do not attempt to deceive any one. Our interest rates are based on the amount of the loan; the amount of business done with us; the collateral offered; the time the note is to run, and other conditions prevailing at the time the loan is made. We openly admit that we give our customers the inside on everything we have to offer.

"I have noticed that your bank remains open all day. Most banks open late and close early."

This bank wishes to be of the greatest service to its patrons, and for this reason, is open all the time. We never close for holidays and should you be forced

THE First National Bank of Pittsburgh
extends to
SHREWD BUSINESS MEN
A cordial invitation to make use of its *Unrivaled Facilities.* ¶ It is able and willing to afford to every customer, *Accommodations* EQUAL to those obtainable from any bank in the largest cities of the world. Its officers will be happy to discuss any *Banking Business* with PROSPECTIVE CUSTOMERS, and desire VISITORS from OUT OF TOWN to make this bank their *Headquarters* when in the city.

FIGURE 11



DEPOSITS AND WITHDRAWALS ARE SUBJECT TO RULES AND REGULATIONS PRINTED IN THIS BOOK

No. 51407

MERCANTILE TRUST COMPANY, In Acc't with A Mercantile Firm

This Book must always be presented when money is deposited or withdrawn.

Date	Deposited	Withdrawn	Balance	Date	Deposited	Withdrawn	Balance
1905 Feb 23	40000		40000	190 FORWARD			
July 7	30000		70000				
Oct 6	20000		90000				
1906 Jan 2	Interest 1022		91022				
Feb 27	22500		113522				
July 1	Interest 1935		115457				
1907 Jan 1	Interest 1959		117416				
Feb 6	22500		139916				
	Balance to date		$1399.16				

This is the plan of one of our Mercantile firms for accumulating a sinking fund.

A savings account with us is the safest and best method to accomplish this

FIGURE 12

This advertisement run in the columns of a newspaper will attract attention.

by circumstances to have some business with us on Sunday, you will usually find some of us here at the bank.

A Plea for the Private Bank

"I hear a great deal of talk about the boll weevil. This will put the farmers in hard shape. What effect will this have on you?"

While the boll weevil will curtail all lines of business, it will have no effect whatever on the accommodations we furnish our customers. We have endeavored to place our business with the better class of farmers, and even if we do strike a hard year occasionally, the good years will come in their regular turn, and we have resources enough to stay with those who have placed their business with us.

"You have a bank at Avery. Do you offer the same inducements there as you do at DeKalb?"

Identically the same. It's really one bank and is run in the same way. A man that has money at either place can draw it or deposit it in the other just as he sees fit. I may state in this connection that our bank at Avery is doing remarkably well, thus showing us that the people appreciate good banking service.

"How long have you been giving this kind of service? I have always had an idea that banks, as a rule, held themselves above the people and only wanted the business of the rich."

We have been giving this service for a long time, as our customers that have been with us will testify, but it is only here lately that we have been advertising to any extent and bringing it to the attention of the people. Instead of wanting only the business of the rich, we want and much prefer the business of the farmers. It matters not how small your deposit may be, you will receive the same treatment as our largest customer.

"Am I able to deposit with you only the checks drawn on your own bank?"

You can deposit with us checks drawn on any bank; whenever any one gives you a check, no matter on what bank it is drawn, you do not have to go to any other bank to cash it. Bring your cotton tickets to us and we will give you the money on them, or place them to your credit, as you may wish. It makes no difference who buys your cotton, we will cash the tickets. In bringing your checks to this bank, you are keeping your affairs in one place, thus helping to build up a credit, as the more business the banker sees you doing, the better opinion he will form of you.

"How will building up a credit help me?"

In building up a credit with this bank, you are connecting yourself with a bank that has both the ability and willingness to help you in any emergency. Credit with a good bank is money at any time. If you are farming, you may probably have your money in use in making your crops and in numerous other ways in which a farmer can use money. You may find some one who wants to sell out; probably they are sacrificing their farm, live stock, etc. You see a chance to make some money, if you only had the ready cash to take advantage of the bargain. You may also see a chance to buy a bunch of cattle or hogs, which you know you can make some money off of, if you only had some ready money with which to buy them. Here is where your established credit will serve you; all you will have to do is to come to us and we will cheerfully furnish you such amount as you may need, and at the lowest obtainable rates of interest.

"How can I build up this credit. The amount of business I do is small and the volume of it probably would not entitle me to any credit."

It matters not whether your business is large or small, you can build up a credit with us by giving us such business as you may have, be it little or large. When you receive any money, deposit it with us and issue checks in payment of your bills. When any one gives you a check, no matter on what bank it is drawn, bring it to us and get the money on it; the same with your cotton tickets. When you do this you may rest assured that you are building up a credit that some day will serve you well.

"Does your bank really do this or is this just promises?"

¶ *This Bank has aroused the admiration of progressive people by its enterprise.*

¶ *It is thankful for public appreciation, and it earnestly endeavors to repay that appreciation by the best public services in all of its departments.*

¶ *We encourage saving and allow people to keep savings accounts with us.*

¶ *We pay interest on inactive accounts either by the certificate of deposit plan, or on dormant account, subject to check, as the patron prefers.*

¶ *If we could persuade all the people who might make use of banks to do so, the prosperity of the city would be wonderfully increased*

¶ *We do what we can, however, in this direction by cordially and heartily welcoming the new depositor whether his means are great or small.*

¶ *Open an account with us today.*

C. & F. N. B.,

HOWARD AND GERMAN STS.

We will have something to say to the readers of the World Friday afternoon.

FIGURE 13

This is an effective, open display—harmonious, effective and useful in newspapers.

A Plea for the Private Bank

It is both; we promise it and we fulfill those promises. We have never yet "laid down" on a worthy customer of this bank. We would much prefer that you ask our customers as to how we have treated them; we will abide by their verdict.

"If a private bank can offer so many inducements, why are there not more private banks?"

For the simple reason that it takes more or less money to do a large banking business. Very few men have sufficient money with which to run a bank, and those that do have, do not usually want to place all their capital in one business. Should they form a partnership, their entire property of every description would be liable to their depositors, and they want to avoid this, so those that wish to enter the banking business incorporate a national bank where their property will be safe. A number of the largest banks in Texas today are private banks. There is not a national bank today that would not be from ten to fifty times stronger if the parties that own it would turn it into a private bank.

In dealing with a national bank, you are dealing with a corporation which can not enter into the spirit of your business the same as an individual. In dealing with this bank, you are dealing man to man and a personal feeling is built up that is impossible with a "corporation," more especially when a national bank is not owned by home people, who do not have the same interest in the welfare of our community as you have.

"Why do you never publish a statement? I heard a national banker speak on this point."

We do publish several statements a year, and send them out to people who are interested. Our last statement showed that we had on hand in actual cash, 90 per cent. of our entire deposits, while the national banks are only required to keep on hand 15 per cent.; then this 90 per cent. was backed up with the addition of the entire assets of this bank and all of our real estate and personal property.

"I heard a national banker say that when a private banker died that the business was closed up."

There is no more reason why a private bank should quit business than any other bank, but we can not see what difference that would make to our depositors, for we have never yet heard of a private banker that died and carried his money and property with him. It all stays here in the business subject to the demands of our depositors, the same as it is today.

"How long have you been in business?"

We have now been in the banking business twenty years and we have built up a business second to none in the State of Texas in a town the size of DeKalb. We believe that in this time we have acquired experience that is very valuable both to our customers and ourselves. If there is any business in the world that needs experienced men to run it, that business is the banking business. Any one can run a bank in fair weather, but this bank has proven that it can weather the hardest storms. While this is the oldest bank in Bowie County and known for our conservatism in business affairs, we have never forgotten that progress must be made, and today we follow the leadership of none. We lead, others follow.

We have lived here thirty-seven years, which we believe is long enough for the people to get acquainted with us. We want you to investigate our habits and methods of living; ask any one if they ever heard of us drinking or speculating. We also want you to investigate our clerks. We employ competent men; we pay them good salaries and we do this for the sole purpose of getting men capable of giving our customers good service.

"I notice that you advertise to write deeds, mortgages, etc., for your customers free of charge. This must be a source of worry and a great deal of work for you."

Not so, but on the other hand, it gives us pleasure to do this. We want to do everything within our power to advance the interests of our customers, and when we can save them $1.50 in writing a deed, we are more than glad to do so.

Cable: Amdit, New York *Telephone:* 872 Atlanta

The American Audit Company

C. B BIDWELL
Resident Manager
Atlanta, Ga.

New York	*33rd St. & Fifth Ave.* / *106 Broadway (Waldorf-Astoria)*
Chicago	*Marquette Building*
Boston	*Exchange Building*
Atlanta	*Prudential Building*
San Francisco	*Belden Building*
London, E. C.	*4 King St., Cheapside*

Atlanta, Ga., July 2, 1903.

To the President and Board of Directors of the Dominion National Bank, Bristol, Va.

Gentlemen:—According to the terms of our agreement, in connection with the Directors' annual examination, we have verified the accounts of your Bank and beg to submit the following report.

We began our examination on the 6th of June and ended it on June the 30th.

Following this report you will find a Balance Sheet at the close of business June 6th, 1903, and a number of schedules and exhibits.

LOANS AND DISCOUNTS—

These were verified by actual inspection, except such as were near maturity and, had been sent to corresponding banks for collection, in which case we had receipts from banks holding them.

All the bills were listed and found to agree with the balance called for by the general ledger figures. The amount of past due paper is small and what appears as past due is in part occasioned by the discount

2

books being temporarily closed pending verification.

COLLATERAL—

Was examined, and appears ample to cover the loan in each case

BONDS—

And all other securities owned by the Bank were examined and agreed with amounts called for by your books and are carried at a conservative figure, well under the market value.

UNITED STATES BONDS—

These were verified by receipts of the Treasurer of the United States.

BANKING HOUSE, FURNITURE AND FIXTURES—

These were counted at less than cost, $2,000 having recently been written off to profit and loss.

THE BALANCES DUE FROM AND DUE TO—

Reserve Banks and other corresponding Banks were verified by reconciling statements received from them or by their acknowledgments. All of them agreed.

CAPITAL STOCK ACCOUNT—

The Stock books were checked up, and found to be in order and to agree.

All pass books of individual depositors have been called for and about 80 per cent. of the accounts with depositors have been verified by balancing of the pass books.

3

CASH AND CASH ITEMS—

Were found correct by actual count.

CASHIER'S CHECKS, CERTIFIED CHECKS AND CERTIFICATES OF DEPOSIT—

Were checked and found correct as per appended schedules.

We find all the officers are bonded in a responsible Surety Company; the building and fixtures are amply insured against loss by fire; and the contents of the vaults are insured by a company of high standing against both burglary and day-light robbery.

A representative of our company will remain with your bank for several weeks installing an improved system of auditing the daily transactions, and instructing your clerical force in its application.

We note with pleasure the rapid growth of your institution and the marked improvement in your system of accounts and the method of conducting your business since we last made an examination, about eighteen months ago.

The excellent condition of your bank reflects great credit upon your management and is evidence of the sound judgment and careful, intelligent supervision of your executive officers.

Respectfully submitted,

THE AMERICAN AUDIT CO.,

Per C. B. Bidwell, Res. Mgr.

4

FIGURE 14

The certificate of a well known audit company distributed throughout a bank's territory is a confidence-maker.

A Plea for the Private Bank

"Sometimes I want a deed written and you are so busy I hate to bother you." This makes no difference. We have a competent force of office men, and we can get up your deed any time within a few minutes.

"You have given good reasons why a private banker can give better service than any other banks, but this may be only your opinion, and a prejudiced opinion at that."

All of which I admit, but I will quote you from an editorial published in the "American Banker," the leading banker's publication in the United States, in its issue of July 13th:

"Banks that do a general commercial business do not fully appreciate the advantages to be gained by assisting farmers, and the national banks are too restricted by the laws to enable them to do justice to the mater. * * * It is not the duty of national banks, nor is it within the scope of the average commercial bank to discount notes based upon agricultural transactions solely; to advance loans to farmers for their especial needs, * * * and perform all of those particular acts which would tend to advance the interests of agricultural districts."

I want you to read the above paragraph again; this paper is an authority on banking matters. It says plainly that a national bank cannot do those things that would be of the greater benefit to the farmer.

This bank is able to adapt itself to the conditions such as we find them here in our own section, changing our methods to meet the changing condition of our people.

We have never in the past and never will in the future endeavor to dissatisfy a customer of another bank. We consider the banking business an honorable profession and every man that is in the banking business should be too honorable to stoop to questionable methods of gaining business.

We are asking for business on the merits of our institution, and in explaining our methods and in showing how we differ from other banks, it necessitates comparing our bank with other banks. This is our only excuse for even mentioning other banks; instead of using our energy in "knocking" some other bank, we use it for increasing our large and ever increasing business.

The Forgan Plan

The average business man knows little about the organization of a bank. A booklet such as was issued by the First National Bank of Chicago, describing the system by which it handled business, was a good thing. Big business concerns have an innate suspicion of the banker who knows too much; they generally take their business to a banker who knows the most about their particular brand of troubles. Apparently President Forgan was determined to make his an all-'round bank, hence the organization of the Credit Extension Department on a plan as shown in Figure 7, taken from one of the booklets describing the bank's methods. With that plan the would-be debtor or creditor knows on whom he is to call. He has learned something about the bank. The publication of such a plan is an excellent idea.

In order to create confidence in this day when so many understand that while "figures do not lie, liars often figure," it is a good thing for the most dignified to get a clean bill of health from some audit concern of known standing. Figure 8 shows how a Bristol, Virginia, bank used the Audit Company's certificate for advertising purposes.

Taking advantage of a newspaper paragraph to call attention to financial well being is sometimes effective, as shown in Figure 9.

Let Us Weep

"If you have tears prepare to shed them now." But, no; Figure 10 is not a funeral notice, but an attempt to attract attention—but it is a sad commentary on the good sense of any man who would publish such an advertisement.

The man who wrote the copy displayed in Figure 11 must have been an Irishman, for no one else would have thought to direct the appeal to "Shrewd Business Men." It has a line of appeal so close to debatable ground that makes it difficult to classify it as good or bad.

"It appeals to the vanity of all men," says one man.

"It makes you stop and ask yourself, 'Does he want the little fellow who does not know whether he is "shrewd" or not?' " Let the reader be the judge of his own case, but I prefer to steer clear of debatable ground.

The suggestion of Figure 12 is good, but I would have used plain type above and beneath to explain the scheme. Business men would likely pass it by as interesting to the small saver only. Occasionally the editorial spirit as shown in Figure 13 is a good thing. These are calculated to create confidence, a personality in the minds of the people, and to obtain a hold on the loyalty of depositors which goes only with a feeling which the French call *esprit de corps*.

This mail card (Figure 14), sent out by the DeKalb Exchange Bank, referred to at length, is an example of the advertising done by a banker who thoroughly understands his people, and can talk to them as man to men, without suffering loss of that precious and perishable thing bankers call "dignity." This card explains itself; and it's good advertising talk.

CHAPTER XXXI

SPECIAL ADVERTISING PROBLEMS OF THE TRUST, TITLE, INSURANCE AND GUARANTEE COMPANIES

TRUST COMPANY'S PLACE IN FINANCE—THE LESSON OF THE CLOSING OF THE KNICKERBOCKER TRUST—THE ANALYSIS OF THE PLAN OF ORGANIZATION—THE PUBLIC SUSPICIOUS OF MOST COMPANIES—CONSPICUOUS EXCEPTIONS—SOURCES OF WEAKNESS—LINKING TRUST COMPANIES WITH FAKE MINING SCHEMES—WHAT YOU CAN TALK ABOUT—THE FIELD FOR EDUCATION—PRESIDENT ROYSE SEES A BRIGHT LIGHT—HIS RECOMMENDATIONS—THE WAY A NEW YORK TRUST COMPANY EDUCATED ITS PEOPLE—THE WAY TO SPECIALIZE DEPARTMENTS—THE GROWTH OF THE TRUST COMPANY IDEA—THE BANKING POWER OF THE WORLD AND WHERE IT IS COMING—ADVERTISING DONE BY SOME TRUST COMPANIES EFFECTIVE—DETROIT TRUST COMPANY'S ADVERTISING

THE trust company is the department store of finance.

It is a modern necessity, has come to stay, and has served as the most powerful educational force with the people that the financial world has had in the districts where the trust companies have done business.

These trust companies have advertised more and better than banks of any description—national, state or private. The growth of the trust company has been phenomenal and their usefulness, breadth of activity and possibilities have hardly been realized.

The Case of the Knickerbocker Trust Company

Confidence in trust companies received a hard blow. The Knickerbocker Trust Company closed in 1907, but that was hardly the fault of the trust company idea. The Knickerbocker, it seems agreed, could have been saved if the true spirit of helpfulness for the public good, instead of mutual helpfulness among bankers as a class had been dominant. The Knickerbocker was compelled to stand by itself, alone, unprotected, a pariah, and it went to the wall, as would any institution, bank or trust company in the United States if treated in a similar way.

The reorganization process happily produced a satisfactory result, but the trust companies of New York have received a blow to their prestige from which they will not soon recover. It may be seriously questioned if the financiers of New York have gained much by that silence, when a word would have done so much good.

However, the fact is there.

The trust company idea is better, intrinsically, for that fight and fright, and it will go forward to greater triumphs than it has ever achieved.

The Functions of a Trust Company

The following* is the plan of organization of a typical trust company:

(A) Banking Department.

It exercises all the functions of a state bank. It has on deposit $50,000,000 of deposits. Its receipts for a single day have reached $25,000,000.

(B) Foreign Exchange Department.

It buys exchange against shipments of cotton, corn, merchandise, etc.; it sells drafts, issues letters of credit, buys and sells bankers' bills. It turns over, in a year, more than $1,000,000,000 of business.

(C) Bond Department.

In normal times it carries in stock as much as $10,000,000 railroad, municipal and other bonds, and does exactly the same business in them that is done by the private banker.

(D) Trust Department.

It acts as executor, trustee, guardian, depository of securities or agent in any financial transaction. Fees are limited by law.

(E) Registry and Transfer Department.

It registers and transfers stocks and bonds of corporations and attends to organization or reorganization. Its payment is in fees.

In addition other trust companies operate the following departments:

(F) Real Estate Department.

Buys and sells real estate exactly as is done by regular real estate brokers. The St. Louis trust companies are, perhaps, the most striking illustrations of this practice.

(G) Interest or Savings Department.

Pays interest on deposits and advertises to secure savings deposits. In some States the word "savings" cannot be used. "Interest" does the work in those States.

(H) Home Department.

Builds homes for owners of real estate on regular installments. The work is closely akin to the building and loan company work.

(I) Title Guarantee Department.

Examines and certifies titles to property. In many cases this is done in the real estate department, but in this State and others this work is done by trust companies, which do not themselves deal in real estate.

*By C. M. Keyes in "The World's Work" New York.

The trust company weakness has laid in the operation of the company, when it has been turned into a promotion company. As a monthly recently said:

The Fatal Error

"We noted this in the failure of the Merchants' Trust of New York, which was loaded with unmarketable traction and power bonds; in the collapse of the Trust Company of the Republic, loaded with Shipbuilding securities; in the failure of the Walsh banks in Chicago, carrying huge amounts of securities representing half-completed railroads; in the Knickerbocker Trust, with its hundred underwritings. In fact, this error enters into practically every trust company failure of the past ten years."

We note it in the failures of other companies in the East and West.

These are the things that have made the public suspicious of trust companies. These are the evils that will ultimately force federal supervision and more stringent laws.

The trust companies of today must busy themselves with educational work along the lines of legitimate work. They must clean their vaults of questionable securities and concern themselves with legitimate business.

The trust company started as a trust for its depositors and customers. This old idea is well illustrated by the Girard Trust Company of Philadelphia, with its $75,000,000 of trust funds, and its $250,000,000 of securities deposited for the protection of collateral mortgages.

The trust company has gone beyond these simple and valuable duties, however, and has given its name again and again for the protection of wild-cat schemes and notorious swindlers, for fees pitifully small in comparison to the benefits bestowed.

We have but to look at some of the advertising of the mining, oil and land swindles of recent years to see how great trust companies have been made to appear as standing sponsors for the swindles.

It Should Be Stopped

This should be stopped.

It is bad advertising in every way. It makes no shadow of difference whether the trust company is simple registrar of the stock of the swindle or not—the fact is, the people do not understand distinctions that are technical. We deal with the ignorance of the people, and we are weighed and tested by that ignorance. There is no pardon for it. Trust companies should not pay out thousands of dollars to advertise themselves as conservative financial institutions and then sell that prestige for a paltry $100

For a Small Fee

and a few more hundred in possible fees to conscienceless scoundrels, who rob the poor under the aegis of the trust company's standing in the community.

The failure of the trust company to handle its savings department deposits on a different basis from the rest of its deposits is now calling for a remedy.

Eventually the Connecticut law, which requires trust companies doing a savings business to do it under the same restrictions as savings banks, will be enacted in other States.

So much for the abuses of which I have given but a hint.

The purpose of this preliminary is simply to call the attention of the trust company advertiser to the fact that the public is becoming cognizant of these things, that sooner or later he will have to face these abuses. In the meantime let him set his house in order and commence the campaign of education that will leave him in a better condition than his neighbor.

The Campaign of Education

The following list of topics shows how wide a range trust company advertising can be made to take:

Personnel of management.
Capital, surplus and reserve.
Directors that direct.
Carefulness in loans and investments.
State supervision.
Registry of bonds and stocks.
Transfer and fiscal agent.
Investment department, bonds, etc., for trust funds.
Handling real estate, paying and collecting rent.
Paying taxes, insurance, etc.
Auditing and regular examinations.
Employees handling securities are bonded.
Free advice of officers.
Making and carrying out provisions of wills.
Collections on all points promptly and cheaply made.
Interest on time deposits and checking accounts.
Interest on daily balances.
Executor, administrator, trustee, guardian, assignee, receiver.

THE ADMINISTRATION OF

ESTATES

A FEW COMMENTS *setting forth* the Advantages of the MODERN TRUST COMPANY in the Administration OF ESTATES

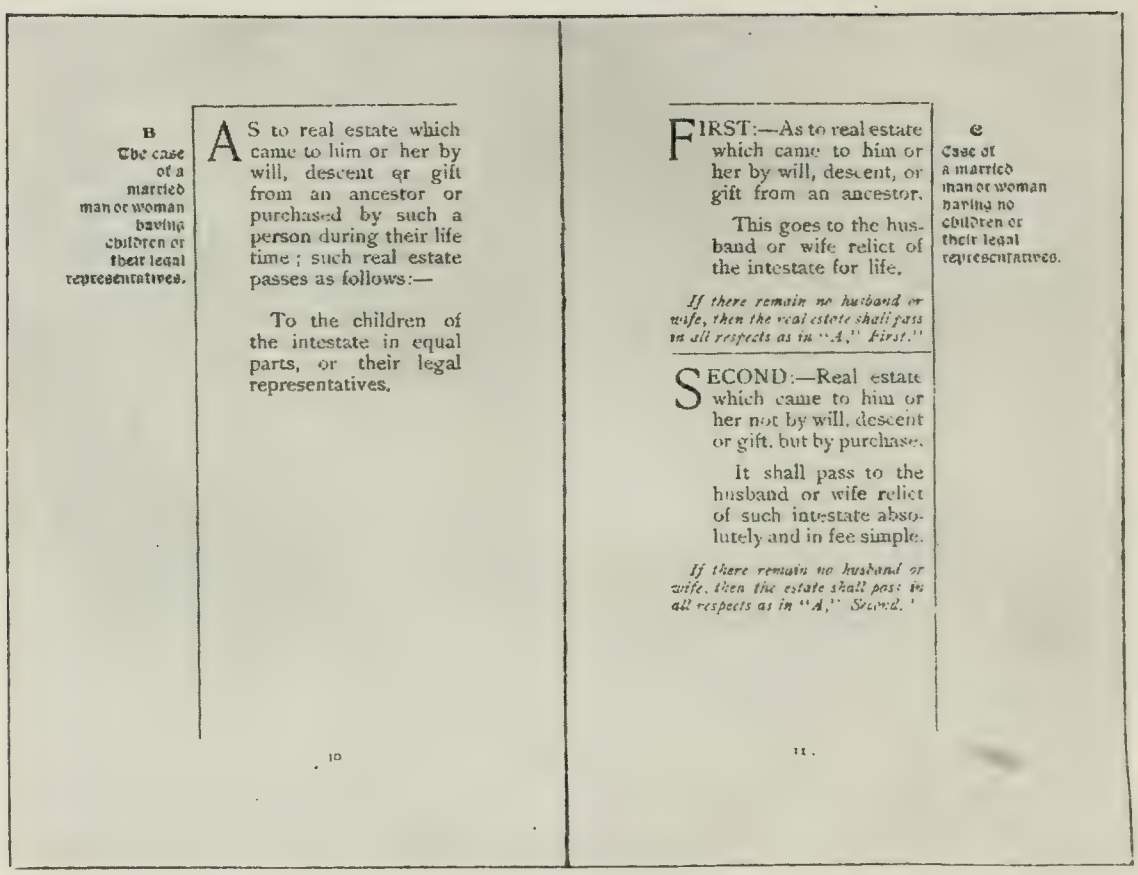
MCMIII

THE EQUITABLE TRUST COMPANY OF NEW YORK

15 NASSAU STREET

FIGURE 1

This inexpensive booklet is arranged to impress the discriminating reader.



B
The case of a married man or woman having children or their legal representatives.

AS to real estate which came to him or her by will, descent or gift from an ancestor or purchased by such a person during their life time; such real estate passes as follows:—

To the children of the intestate in equal parts, or their legal representatives.

10

FIRST:—As to real estate which came to him or her by will, descent, or gift from an ancestor.

This goes to the husband or wife relict of the intestate for life.

If there remain no husband or wife, then the real estate shall pass in all respects as in "A," First."

SECOND:—Real estate which came to him or her not by will, descent or gift, but by purchase.

It shall pass to the husband or wife relict of such intestate absolutely and in fee simple.

If there remain no husband or wife, then the estate shall pass in all respects as in "A," Second."

C
Case of a married man or woman having no children or their legal representatives.

11

FIGURE 2

This arrangement shows the pages of a book, "The Distribution of Property" (Ohio Law) as distributed by the Cleveland Trust Company, Trust Department.

Subjects for the Advertising

Agent and attorney, in fact of inexperienced persons and of benevolent and religious institutions and orders.

Agent and attorney for non-residents.

Depository for fiduciary officers.

Giving information to the public.

Legal depository for trust funds.

Discounting business notes.

Safe deposit department.

Making audits for corporations, municipalities, institutions and individuals.

Trustee under mortgage securing bonds.

Making loans to depositors.

Banking by mail.

Handling conservative and meritorious construction enterprises.

Trust funds kept separate.

Guaranteeing real estate titles.

Handling fraternal and secret society finances.

Trust company does not die, go insane or otherwise become incapacitated. Other advantages of corporation over an individual.

Large reserve in cash on hand and in banks.

Clearing house arrangements.

Detailed report to banking department.

Inquiries about assets, management and policy welcome.

Company independent of control of any single interest.

Depository for State, city, court and trust funds.

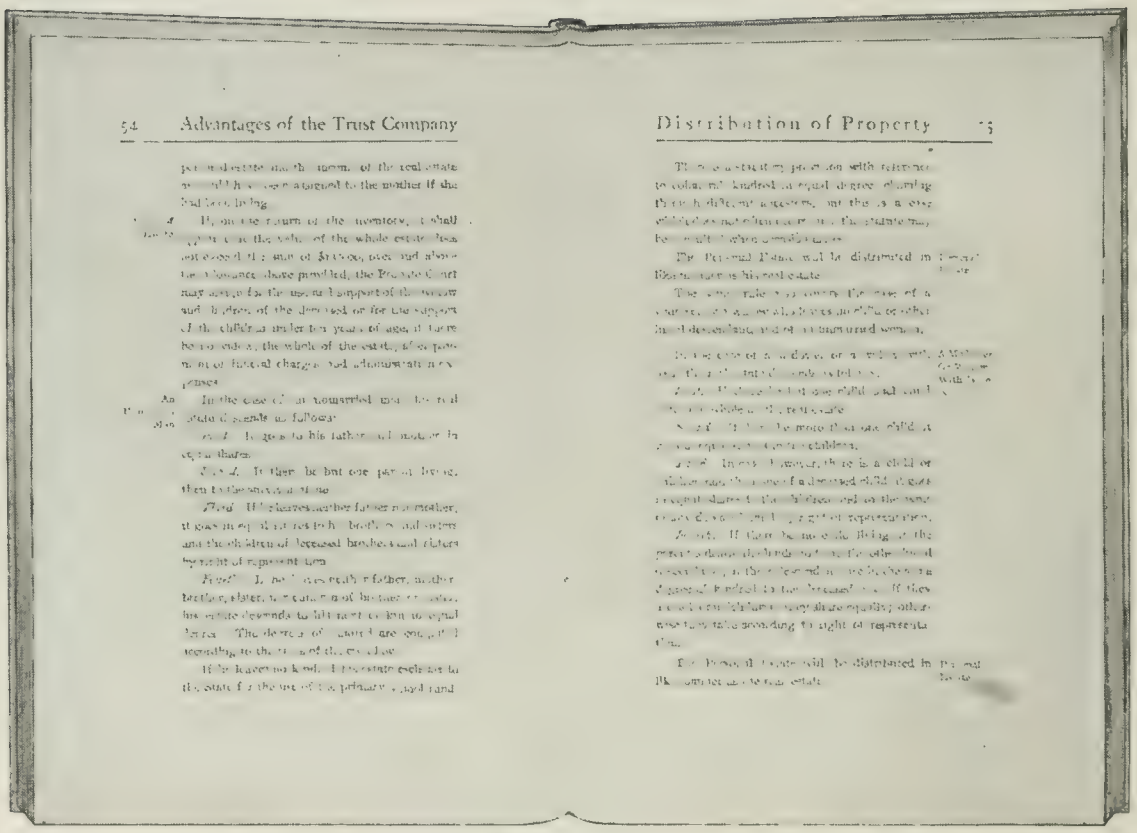
Property in escrow.

Women's department.

Checking accounts for women (convenience, safety, etc.).

Distributing incomes.

Investing trust funds for widows and orphans.



54 Advantages of the Trust Company

Distribution of Property 55

FIGURE 3

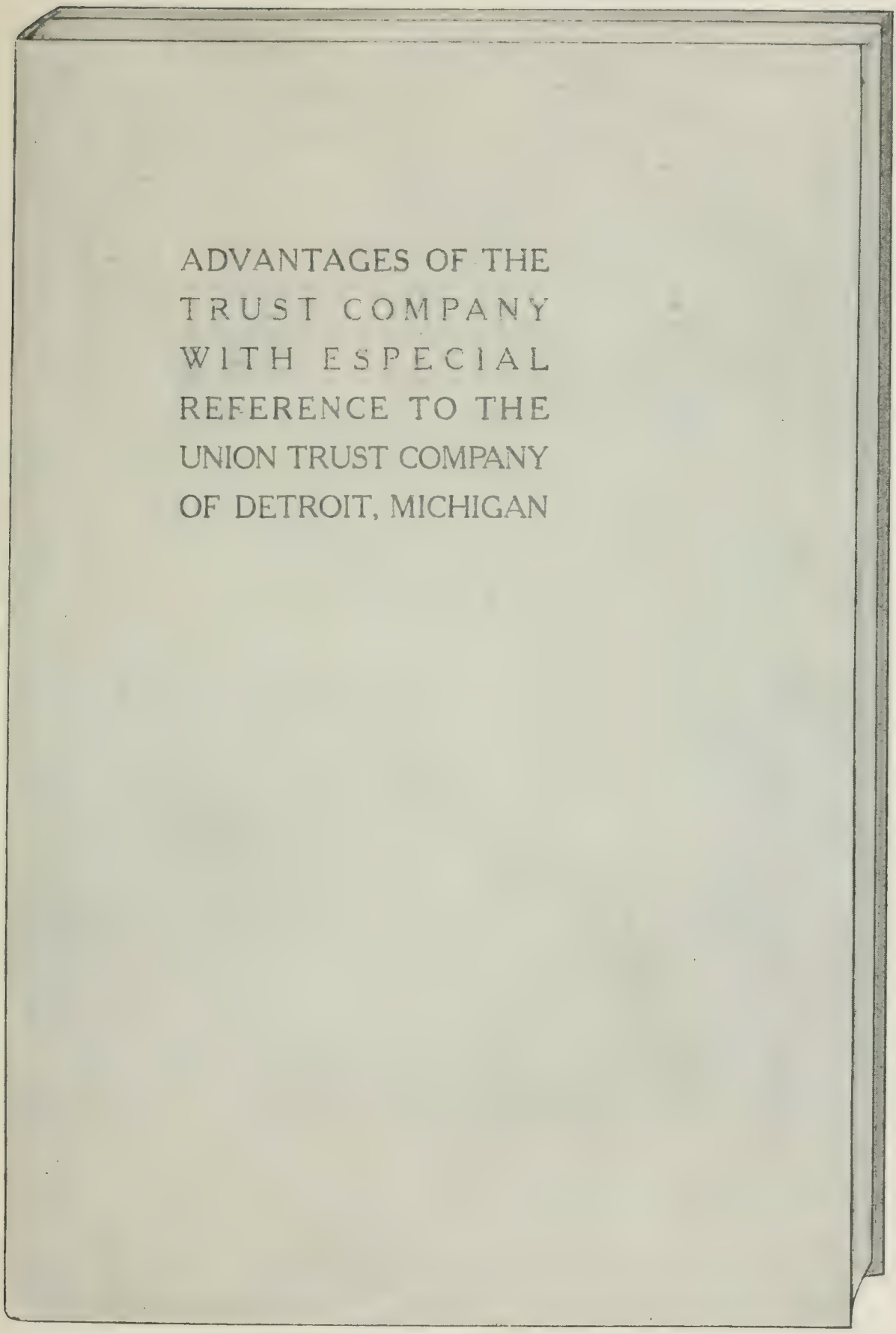

ADVANTAGES OF THE
TRUST COMPANY
WITH ESPECIAL
REFERENCE TO THE
UNION TRUST COMPANY
OF DETROIT, MICHIGAN

FIGURE 4

SAMUEL MATHER

Pickands, Mather & Co., Pig Iron, Iron Ore and Coal

President
- Children's Aid Society
- Huron Barge Co.
- N. Y. P. & O. Dock Co.
- Hemlock River Mining Co.
- Verona Mining Co.
- Civic Federation of Cleveland
- The Lakeside Hospital

Vice President
- Hobart Iron Co.
- Corsica Iron Co.
- Minnesota Dock Co.
- Toledo Furnace Co. (Toledo, O.)
- Bank of Commerce National Association
- University School

Director
- Country Club
- Cleveland Cliffs Iron Co.
- Cleveland Iron Mining Co.
- Pioneer Iron Co.
- Iron Cliffs Co.
- Cleveland Storage Co.
- Cleveland Museum of Art
- Malta Iron Co.
- Citizens Savings and Trust Co.
- Floating Bethel & City Mission Society
- Fay Sholes Co.
- Interlake Co.
- Ashtabula Steamship Co.
- Odanah Iron Co.

Chairman, Hanna Monument Association

Trustee, The Western Reserve University

14

CALVARY MORRIS

President of Company

President
- Morris Mining Co.
- Ashland & Western R. R. Co.
- Jefferson Coal Co.

President and Treasurer
- Morris Coal Co.
- Morris-Poston Coal Co.

Director
- Cleveland Electric Railway Co.
- Pittsburg Coal Co.
- U. S. Telephone Co.
- Detroit & Buffalo Steamship Co.
- Bank of Commerce National Association
- Cleveland Terminal & Valley R. R. Co.

Life Member, Huron Street Hospital

CHARLES E. ADAMS

Vice President and General Manager
- The Cleveland Hardware Co.

Director
- First National Bank
- Factory Mutual Insurance Co.
- Industrial Building & Loan Co.
- Wellman-Seaver-Morgan Co.

15

FIGURE 5

Making use of the business alliances of your board of directors.

Correspondent banks and collection facilities.

Facts about industries and geographical advantages of community.

I venture to say that the average man could not define the application of three in ten of these functions. Here, indeed, is a field for educational work.

President I. H. C. Royse, of the Terre Haute, Ind., Trust Company, said in a recent address some very good things on the need of educational work on the part of trust companies. I quote Mr. Royse in part:

President Royse, Terre Haute, Indiana

Nearly all banks advertise to some extent. Many banks are great advertisers.

While bank advertising—that is, the advertising of the commercial or national bank—has been recognized as proper and necessary to the highest success in the business, the reasons for advertising by such banks are not nearly so strong as those pertaining to trust companies.

The national and other commercial banks have been so long established and the kinds of business done by them so well and so generally known by the people, that much less advertising is needed. Such banks are so familiarly known by the title "bank" and their character so well understood, that no education is required on those lines.

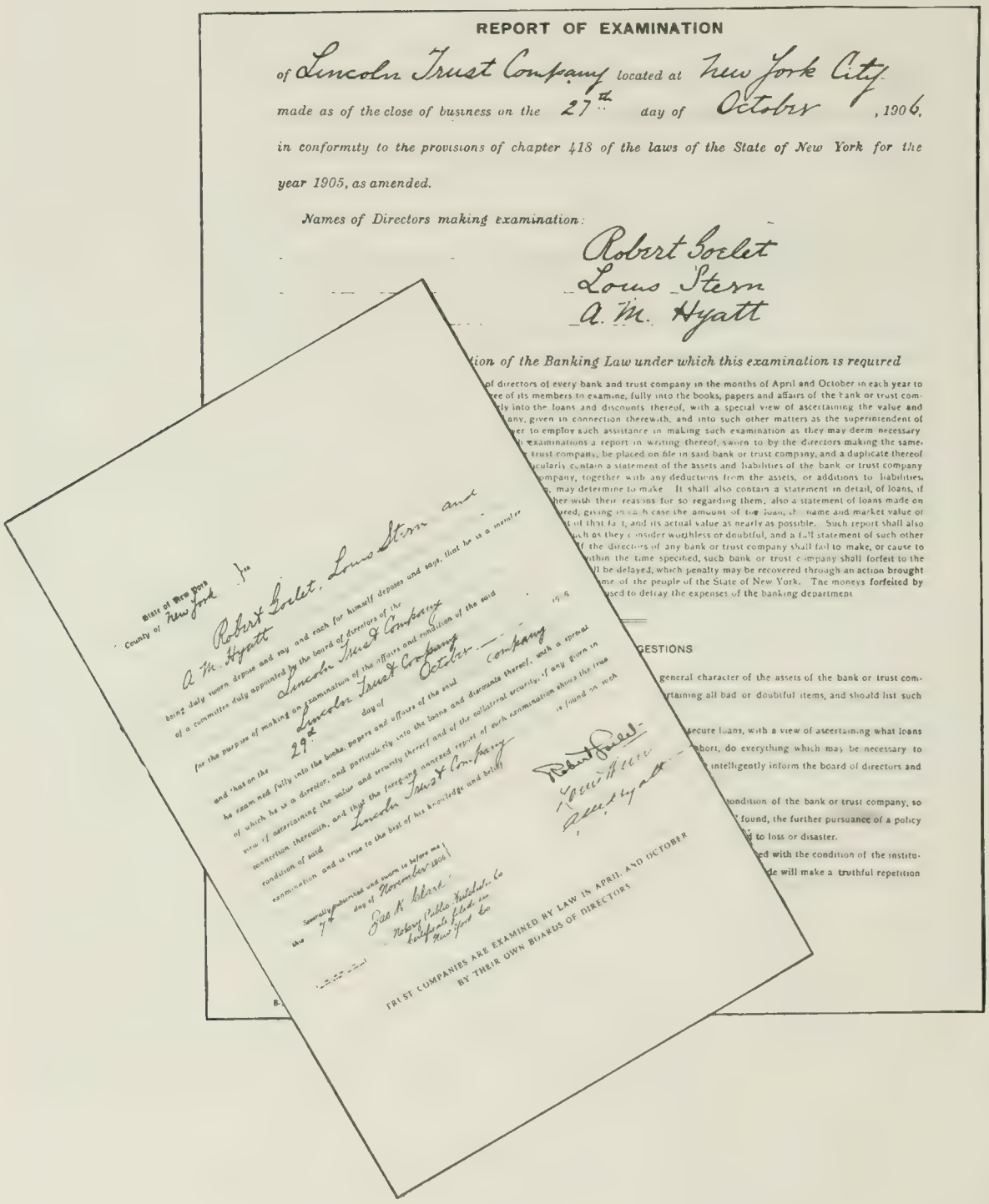
It is very different with the trust company. It is new. It usually does not have the word "bank" in its name. In fact, banking is only part of its business, and with many trust companies it is only a limited form of banking that is done. The trust company differs widely from the commercial bank. It is much broader and includes many lines of business other than banking. When our Indiana Trust Company statute was before the legislature, a prominent Senator opposed the bill, because, as he said, "It authorized the trust company to do anything and everything except to steal and commit murder."

The fact that the trust company has power to do so many things is understood by only a small proportion of the people. The very name "Trust Company" is confusing to them. They have heard so much about the "trusts" and are so fully convinced of their wickedness that many are suspicious of any company bearing such a name. Many do not know the meaning of the word "trust" used in the names of our companies. They know what is meant by acting as an executor or administrator or guardian, but do not understand that they are "trust" capacities, and that the funds held by them are "trust funds."

In most places, even intelligent people have only the most confused notions as to the business done by trust companies and as to their ability to serve the people. For instance, some people have trust companies confused with building and loan associations, and inquire, "How soon does your company pay out?" and "What are the monthly payments?" etc.

From these considerations it is apparent that publicity is an important subject for trust companies. It will also be readily seen that a very considerable part of it is educational in character.

If the trust companies are to take their proper place and do the work for the public which they are capable of doing, they must be very much better understood by the people generally. The common people ought to be so well informed regarding the powers and work of trust companies that the name itself will carry the idea to them of an institution that is a bank and much more than the ordinary bank. A bank that not only takes money on deposit and lends money, but one that does a great many things not usually called banking.



REPORT OF EXAMINATION

of Lincoln Trust Company located at New York City

made as of the close of business on the 27th day of October, 1906,

in conformity to the provisions of chapter 418 of the laws of the State of New York for the year 1905, as amended.

Names of Directors making examination:

Robert Goelet
Louis Stern
A. M. Hyatt

...tion of the Banking Law under which this examination is required

...of directors of every bank and trust company in the months of April and October in each year to ...ee of its members to examine, fully into the books, papers and affairs of the bank or trust com... ...ly into the loans and discounts thereof, with a special view of ascertaining the value and ...any, given in connection therewith, and into such other matters as the superintendent of ...er to employ such assistance in making such examination as they may deem necessary ...examinations a report in writing thereof, sworn to by the directors making the same... ...trust company, be placed on file in said bank or trust company, and a duplicate thereof ...cularly contain a statement of the assets and liabilities of the bank or trust company ...ompany, together with any deductions from the assets, or additions to liabilities, ...may determine to make. It shall also contain a statement in detail, of loans, if ...her with their reasons for so regarding them, also a statement of loans made on ...red, giving in each case the amount of the loan, the name and market value of ...t of that fact, and its actual value as nearly as possible. Such report shall also ...ch as they consider worthless or doubtful, and a full statement of such other ...f the directors of any bank or trust company shall fail to make, or cause to ...ithin the time specified, such bank or trust company shall forfeit to the ...ll be delayed, which penalty may be recovered through an action brought ...me of the people of the State of New York. The moneys forfeited by ...sed to defray the expenses of the banking department

...GESTIONS

...general character of the assets of the bank or trust com... ...rtaining all bad or doubtful items, and should list such

...secure loans, with a view of ascertaining what loans ...hort, do everything which may be necessary to ...intelligently inform the board of directors and

...ondition of the bank or trust company, so ...found, the further pursuance of a policy ...to loss or disaster.

...ed with the condition of the institu... ...de will make a truthful repetition

State of New York
County of New York } ss

Robert Goelet, Louis Stern and A. M. Hyatt

being duly sworn depose and say and each for himself deposes and says, that he is a member of a committee duly appointed by the board of directors of the Lincoln Trust Company for the purpose of making an examination of the affairs and condition of the said Lincoln Trust Company and that on the 29th day of October 1906 he examined fully into the books, papers and affairs of the said company of which he is a director, and particularly into the loans and discounts thereof, with a special view of ascertaining the value and security thereof and of the collateral security, if any given in connection therewith, and that the foregoing annexed report of such examination shows the true condition of said Lincoln Trust Company as found on such examination and is true to the best of his knowledge and belief

Robert Goelet
Louis Stern
A. M. Hyatt

Severally subscribed and sworn to before me this 7th day of November 1906

Geo. K. Clark
Notary Public Westchester Co
Certificate filed in New York Co

TRUST COMPANIES ARE EXAMINED BY LAW IN APRIL AND OCTOBER BY THEIR OWN BOARDS OF DIRECTORS

FIGURE 6

The people should be acquainted with the many things the trust company does, and its ability to do them more promptly, with greater skill and with less expense than is usual with natural persons acting in such capacities. It is especially important that they should have clear notions about the work of the trust department and the advantages of employing a trust company in all matters of that sort. When the real character of the trust company and its methods of caring for estates and its economy in their management, are clearly understood, it will be thought of as a public benefactor, and naturally it will get a large part of that sort of business.

The Trust Company's Opportunity

The savings department and its value to the community require almost as much educational work as the trust department. When we consider the vast proportions attained by the savings institutions of New England, we shall readily see that by proper cultivation this department is capable of being made a very important feature of every trust company. Their strength in capital and resources will naturally give confidence to the people as to the safety of all such deposits. What we need is for the public generally to know and appreciate what we have to offer them in this line.

This educational work, in every way the most important feature of trust company publicity, is of common interest to all trust companies. All are interested in having the character and functions of trust companies and their value to the public made clear to the people. Whatever is done by one trust company in this line is a benefit to all.

This work ought to be done quite thoroughly. Each department should be treated in detail and its special value shown. The trust company is a many sided institution and its benefits to the public are of many sorts hence an infinite variety of writing may be done about its many features. And an infinite number of reasons may be given why it should be given the preference in all its many lines of business.

Much of this educational work is being done by all trust companies, and the people are gradually coming to know something about them. For this purpose, as in all advertising, the local newspaper can be used to great advantage. The continual presentation through the newspaper, of the work and methods of the trust company, will do much toward bringing the results desired. However, the expense of such advertising seems to prevent sufficient detail in statement. It is difficult to make clear the various features of the trust company and their value without occupying more space in the paper than most companies can afford.

Pamphlets and folders, gotten up in attractive form, can be used to great advantage. It is a good plan for every company to keep a good supply of such literature on hand at all times ready to be handed out to customers. A carefully prepared mailing list should be kept revised to date and regularly used in the distribution of such literature.

The circular letter, each covering only a single point, regularly followed up by others, is a very effective method. All these should be supplemented by personal explanation and solicitation at every possible opportunity. Difficulty and doubt are often quite easily cleared up in that manner. Every stockholder, as well as every director, officer and clerk, should be thoroughly informed on all matters pertaining to his company, and always be prepared to answer questions about them and to give good reasons for his company being employed in its various lines of business.

In view of the large expense of carrying on this educational work by the several companies, each acting for itself, and in view of the fact that all such work is of common benefit to all, I have tried to think of a better and more economical method in which all of the companies could co-operate, and by which all of the best trust company arguments on every phase of our work could be gotten to the people at much less expense than the present way.

It occurred to me that this could be done by the publication of a weekly journal especially devoted to trust company interests. Its reading matter would be given very largely to articles and stories explaining and illustrating the various phases of

OUR RECORD

We are "The Oldest Trust Company in Oregon."

We have always kept faith with our depositors and other customers. We have avoided doubtful investments and have shunned speculation as a plague. We have always limited the amount that we have invested in any one security. We are absolutely independent of any other bank or trust company.

THEREFORE

We have Grown Steadily and Today
With resources of over
$2,400,000.00

We Invite Your Deposits

On which we will pay from 2 per cent. to 4 per cent. interest, dependent upon the nature of the account.

Call for our statement and book of "Illustrations."

PORTLAND TRUST COMPANY OF OREGON

S. E. Corner Third and Oak Sts. Phone Ex. 72

Benj. I. Cohen.....President
H. L. Pittock.....Vice-President
B. Lee Paget.....Secretary
J. O. Goltra..... .....Assistant Secretary

FIGURE 7

The above is a good example of plain talk—direct talk—forceful talk. It covers points fresh in the public mind. The display is not remarkable.

NO banking institution in Cleveland is conducted on more conservative lines than The Cleveland Trust Company. It has never promoted speculative enterprises, nor will it do so.

A safe depository for funds of every description

4% on savings.

The Cleveland Trust Company.

Capital $2,500,000
Surplus $2,500,000

Investments

Investments cannot be judiciously made except in the the light of long experience and knowledge of intrinsic value. Such knowledge and experience is at the disposal of the patrons of this bank.

The CITIZENS

SAVINGS AND TRUST CO.

EUCLID AVE., NEAR ERIE ST., CLEVELAND
The Oldest and Largest Trust Company in Ohio

Capital and Surplus Six Million Dollars Assets over Forty-two Million Dollars

4 per cent Interest paid on Savings Accounts

2 per cent Interest paid on Accounts Subject to Check

FIGURE 8

Here are two companies both advertising business in the same city. One is "The Oldest and Best" and the other is a "Youngster." The younger makes its statement boldly yet attractively; the other says more but produces a less attractive effect.

THE LIBERAL POWERS

granted a Trust Company places your deposit in such an institution on a conservative, yet financially productive, basis.

Guardian T

It Costs You No More

to secure the services of the highest class institutions to act in the capacity of Administrator, Trustee, Executor, Guardian, etc., than an individual and eliminates the possibility of mistake incident to such a choice.

Trust Co.

Sound Business Principles Dictate

that you get maximum returns on your business capital, or bank deposit, coupled with absolute security for that investment. We allow you equitable rates of interest consistent with that safety. Accounts subject to check.

C

Interest on Your Bank Deposit

is equivalent to an additional deposit at regular intervals. Both deposit and interest subject to check, with equitable rates of interest.

C

17

Large Accounts

may grow from small ones. We are willing to take a chance on yours if it is small. Possibly we can help you make it larger. Equitable rates of interest. Accounts subject to check at sight.

A SECURITY

that cannot be questioned, a location that is central and a courtesy and accommodation that is uniform, are offered you as a depositor in the Guardian Trust Company of New York.

C

17

The Possible Carelessness

of your personally appointed trustee or administrator might be very serious. To act in that capacity and prevent mistakes is our business, and we have full powers under the law to that end.

rdian Trust C

YORK

THE APPOINTMENT OF AN ADMINISTRATOR

entails considerable personal anxiety, and is somewhat in the nature of a favor to ask of your friends. We do it as a matter of business, and you know it will be properly done. This is but one of the departments in which we can help you, as we do a General Banking and Trust business.

Guardian Trust C

170 B OF NEW

The Safety of Your Family

and what you leave them is protected if you appoint a reputable trust company to act as Administrator, Guardian, or Trustee. We are authorized so to act under the law.

Guardian Trust Co.
OF NEW YORK
170 Broadway, Cor, Maiden Lane

We Mean You

when we say we solicit the accounts of manufacturers, merchants individuals, societies, corporations and Trust funds. We pay equitable rates of interest, and your accounts are subject to check at sight.

Guardian Trust Co.
OF NEW YORK
170 Broadway, Cor. Maiden Lane

FIGURE 9

This is the product of an advertising man, occupying but two inches single column, top of column next to reading matter.

trust company work. Of course some spice in the way of miscellaneous matter would be needed to keep up interest in the paper. Even the stories, however, could be made to illustrate some feature of our work. In this way the most complete explanation could be made of everything needed to be known about trust companies. Their value to the public should be emphasized week by week. It seems to me that this continual weekly presentation of the matter would certainly be of more educational value to our companies than the present haphazard method, and that it could be done at very much less expense.

The Trust Company's Opportunity

Let a corporation be organized with capital sufficient to handle the enterprise, all the stock to be taken by our Indiana trust companies, the same to be apportioned among them in some equitable manner. In that way all would be interested in the financial results. The printing could be done under contract by some good printing house. The paper should be of the best and the workmanship of the highest class, so that the paper would be attractive in appearance. The editorial management should be given to a man of ability, especially qualified for that particular work, with authority to call to his aid experts in trust company and savings bank matters. The paper should be made of such general interest that it would be a welcome visitor in most families.

Of course much of the expense, after the first few numbers, would be expected from advertising patronage. The advertising space would be open to all legitimate lines of business, but of course the trust companies would take a considerable part, for which they would pay at regular rates. The subscription price would be made so low that it would be easy to get subscriptions and thus make it practical to place it in a large proportion of the families of the State. The trust companies would act as agents and look after the subscription lists in their several localities. Solicitors could be sent out to make a complete canvass of all families likely to be interested. These could be paid by a percentage of subscription money received, or their services might be compensated by the several trust companies in return for the benefits received by the company because of such increased circulation of the paper in its vicinity. In this way a very large circulation is possible, one that would make the advertising space of the paper quite valuable.

If all our companies would take hold of it in the spirit I have indicated, I believe a great success would be assured, and in that way trust company publicity would be accomplished in the most thorough manner, at the minimum of cost. I make the suggestion with the hope that it will provoke discussion and possibly result in some plan for co-operation by the companies in educational publicity.

When this educational work is well accomplished, the trust companies will be on an equal footing with the national and other commercial banks in the matter of publicity. And, of course, like other banks, the trust companies, each for itself, will find it profitable all the while to do a liberal amount of advertising of their special claims for business.

While Mr. Royse's scheme of a publication devoted to trust company subjects is hardly feasible unless developed along the house organ idea and distributed free by each of the subscribers to the fund, yet it shows how seriously this question of trust company advertising is being considered by those who have given it careful thought.

Suburban Methods

The suburban trust company sometimes has an unusual opportunity to do things. Mr. Edmund D. Fisher, Secretary, Flatbush Trust Company, Brooklyn, New York, recently told of his experience in arousing the community to a realization of the advantages of a trust company.

Checks Collected Free.

No charges made whether payable in Massachusetts or California, Canada or Mexico.

Notes and Bills of Exchange also collected without charge.

By carrying a collection account with the **Newton Centre Trust Company** a great saving in charges may be effected in the course of a year.

All business may be transacted by mail.

Interest allowed. Business accommodations granted.

NEWTON CENTRE TRUST COMPANY

Newton Centre, Mass

Capital and Surplus, $190,000 **Deposits, $1,000,000**

FIGURE 10

This display lacks in character, but the point of the attack is a good one.

I quote a part only of Mr. Fisher's remarks:

E. D. Fisher, Brooklyn, N. Y.

To stimulate the growth of deposits the secretary wrote a history of the community where his company was located. The old landmarks of colonial and revolutionary association were fast disappearing, and new residents were apparently much interested in the pictorial history of their home neighborhood. Result—these books were given to about 2,000 new depositors as they opened their accounts during a period of two years.

Soliciting through advertising will be referred to by a single example, billboard advertising. A line of transit with numerous stations running from the metropolis through the section served by the trust company gave opportunity of attractive bill boards. The "ads" were changed frequently. A few are given:

Some Sign Copy Found Effective

IT IS WORTH A TRIP

To the SUBURBAN TRUST COMPANY to see a strictly modern trust company. There are still some people that do not realize the great advantages of a trust company and its methods of transacting business.

IS INTEREST OF INTEREST

Why should you not participate in the earning power of your own money? The Suburban Trust Company pays interest on daily balances. On Dormant Accounts and Certificates of Deposits it offers special rates. Accounts may be opened by mail.

ARE THEY SAFE?

The newspapers print daily accounts of robberies. Money, jewelry and silver are taken. Fires destroy. The massive burglar and fireproof vaults of the Suburban Trust Company offer absolute security. Why run any risk? Boxes $5.00 and up.

FIRES DESTROY.

Thieves break through and steal, but the massive fire and burglar proof vaults of the Suburban Trust Company offer absolute protection.

YOUR BUSINESS

A successful man accumulates. A bank account helps. Business and personal accounts draw interest at the Suburban Trust Company's.

YOUR WIFE'S BUSINESS.

Can she draw a check? The modern housewife has a bank account. It means money saved. The Suburban Trust Company offers special facilities for ladies. The following was suggested to complete the trilogy, but was turned down as rather too frivolous.

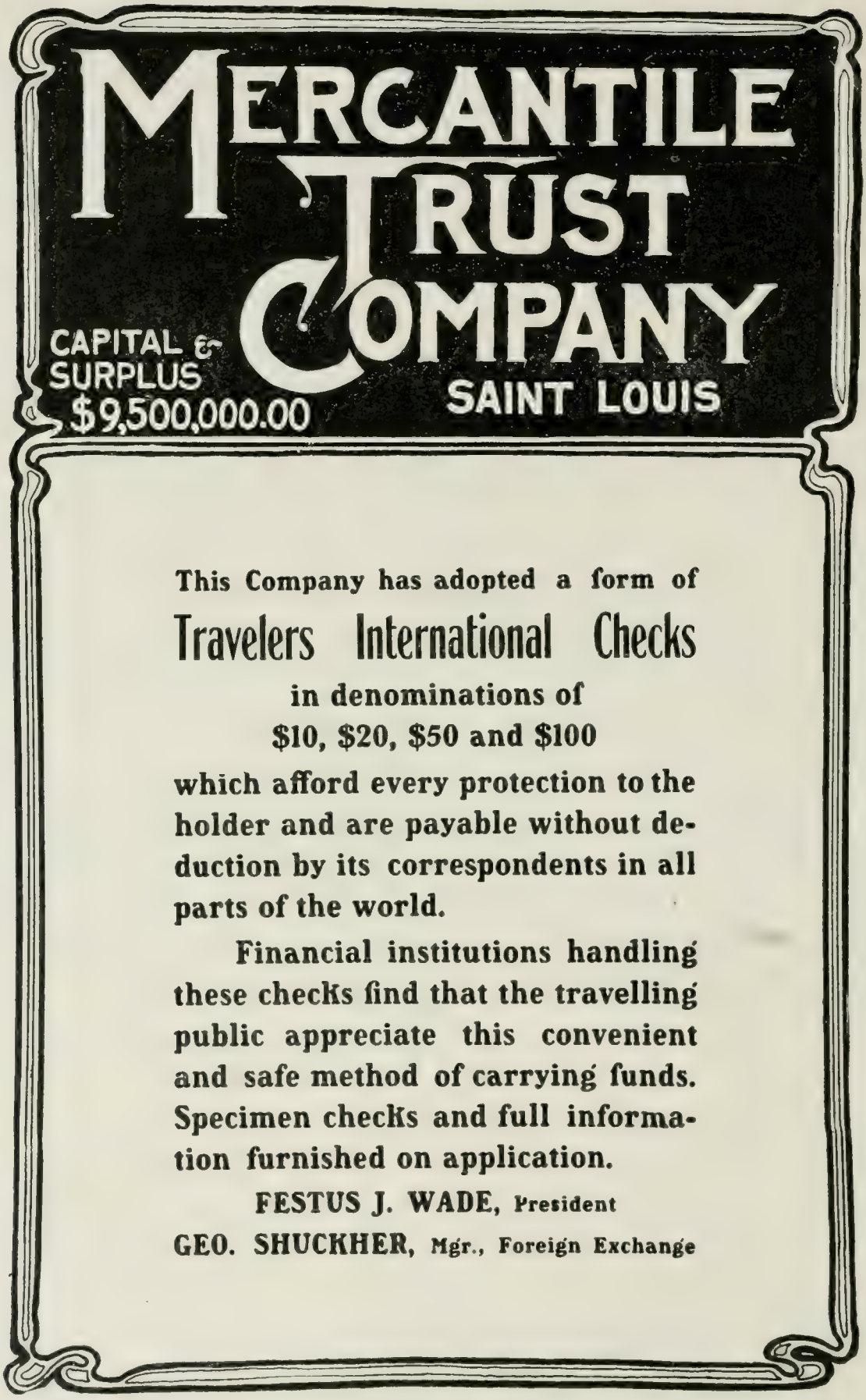


FIGURE 11

This type of display calls attention to a matter of secondary importance in every advertisement, i.e., the concern advertising. The idea of the "International Check" has been better advertised by the express companies, as shown elsewhere.

Some Suggestions

NONE OF YOUR BUSINESS

Is properly done without an account at the Suburban Trust Company.

YOUR FAMILY.

You can care for it now, but who will when you are gone? Why not provide for expert care for your estate? The Suburban Trust Company is organized for this purpose.

The result of this bill board campaign was over a thousand new accounts in a period, I believe, of about one year. Mr. Fisher made one very good point in a later talk when he said:

The full influence of advertising by this and other methods is of course unknown. As long as business increases, however, in direct proportion to advertising done, it is right that it should be given a share of the credit.

Trust company officials should remember that.

Of course all trust companies do not develop along the same lines.

The very breadth of their possible scope has made the development of specialties necessary.

Other Trust Company Lines

For instance, the Land Title Trust Company, The Real Estate Trust Company and The Commonwealth Title Insurance and Trust Company, all of Philadelphia, make a specialty of title insurance work while doing a general trust business.

The Provident Life and Trust Company has a department where it specializes on life insurance: The Central Trust and Savings Company specializes on savings, while the Girard Trust, Fidelity Trust and the Philadelphia Trust, all of Philadelphia, make a specialty of trust estates. Other companies make specialties of mortgages, others of life and fire insurance agency work; others of organizing banks and taking over the stocks and the questions of organization; others buy and sell commercial paper, stocks, bonds, etc., acting in about the same capacity as a private banker; these are in turn split up into companies that make specialties of certain kinds of stock and bonds.

Some like city, county and state bond issues, other prefer the stock and bonds of public rights corporations. In most of such cases you will find promoters somewhere back of the finance or executive committees.

Advertising these kinds of companies is a different matter.

FOREIGN TRAVEL

The Guaranty Trust Company issues travellers' letters of credit and travellers' cheques available in all parts of the world. A special telegraphic code for the use of travellers is provided.

The London Office, conveniently situated near the Bank of England, receives and forwards travellers' mail, and is thoroughly equipped to transact any business of the Company.

The Guaranty Trust Company's enormous business in foreign exchange and commercial credit—nearly one thousand million dollars in 1906—has made its name thoroughly familiar in Great Britain and on the Continent, and should recommend its letters of credit to intending travellers.

The Guaranty Trust Company desires to increase the volume of its travellers' credits, and invites correspondence upon the subject.

Write for special booklet "W."

Guaranty Trust Company

OF NEW YORK

ESTABLISHED 1864

Capital	$ 2,000,000
Surplus	5,500,000
Deposits	45,460,879

28 Nassau Street, New York
33 Lombard Street, E. C. London

FIGURE 12

This foreign exchange and travellers' cheque advertisement is much better than the other one shown in this chapter, although both are lacking in the attractiveness of the Express Company advertisement shown elsewhere.

the making of his will

Is a duty no wise man will postpone or neglect.

Failure to settle one's estate when in full use of the faculties—forgetting to provide for the distribution of property—inviting disaster through delay—all this is flying in the face of fate.

And this is not all.

Drawing up the document legally so it will hold—placing about it every safeguard—putting it in trustworthy hands—the integrity of the executor—these things, too, call for most careful consideration.

THE SECURITY TRUST COMPANY

Offers its services in this connection with every assurance that we can serve you efficiently.

We give you every protection.

You will find our counsel valuable and confidential.

We ask also as Trustee for individuals, guardians or minors, and as administrators for mentally incompetents.

Our charges are moderate—never more than the fees of an individual—and the advantages of a Trust Company are so apparent that no explanation is required.

When may we expect you?

THE SECURITY TRUST COMPANY,

Fort and Griswold Sts.,

Detroit.

FIGURE 13

This is an example of freak headline display. It is axiomatic that it never pays to do an incorrect thing in order to attract attention. It smacks of that insincerity of self-consciousness which no fiduciary institution can afford to advertise.

More than the entire cost of administration has been saved

to estates because of their careful handling by the Commonwealth Trust Company.

On the other hand, many estates have been dissipated by the carelessness, incompetence, incapacity or dishonesty of individual executors. You can insure your estate against this risk by appointing this Trust Company your executor.

Having no personal interest in the matter, a reliable, experienced, well-organized corporation like this administers its trust impartially. In every way its services are more satisfactory than those of an individual executor, although they cost no more. Mr. W. V. Delahunt, Trust Officer, will explain this to you if you write or call.

This company operates under stringent legal safeguards, and has Capital, Surplus and Undivided Profits of almost $6,000,000.

Commonwealth Trust Company

Broadway and Olive Street

FIGURE 14

This plainly arranged advertisement was used with a quarter-inch margin of white space, as shown. It is a good example of dignified, yet attractive, display.

They should use the indirect methods of the publicity agent and the special representative.

Their display advertising and booklet work can be based on what they sell, and the advertising can be most effective. **What They Do**

The specialty trust company develops its campaign on the same basis, but educates the public by indirect means.

When the bond issue of a railroad is about to be floated into the hands of the general public then advertising describing the road's wonderful potential resources must be given to the press, and stories about its future and the present fertility and richness of its country must appear in the news columns.

I have never seen sufficient made of the trust company as an idea, and as an economic commercial engine.

As Mr. Royse has suggested, it seems trust companies should do something for themselves, should educate the public in the value of the service of the trust company methods.

Shaw's Interesting Comparisons

In 1904 former Secretary of the Treasury, Hon. Leslie M. Shaw, made some interesting comparisons. These comparisons show most conclusively that the trust company is used by the public, and that it is needed. I do not, however, believe that the figures are correctly indicative of the faith and confidence of the people. The large trust company deposits are made up to a very great extent of the deposits of bankers who thus evade the law relative to the use of their reserves.

The secretary said in his report:

Within the last few years trust companies have made a relatively much larger growth in all the large cities than National banks. There were twenty-seven trust companies and forty-nine National banks in New York City ten years ago. The same city now has forty-seven trust companies and only forty-one National banks. Ten years ago the aggregate capitalization of the New York City trust companies was $26,400,000, and of National banks $50,700,000. Now the trust companies are capitalized at $54,900,000 and the National banks at $110,300,000, showing about the same relative increase. But the difference in the growth of deposits is marked. Trust companies in New York City held less than $260,000,000 ten years ago, and they now hold more than $875,000,000, while deposits in National banks have increased from more than $550,000,000 to a fraction less than $1,100,000,000. Thus, trust company deposits show an aggregate growth of $65,000,000 more than National bank deposits, and a growth of 240 per cent. as against 100 per cent. of National banks.

In Chicago the number of trust companies has increased in ten years from eight to twelve, while the number of National banks has decreased from twenty-one to twelve. The capitalization of trust companies in Chicago in the same period has increased from $4,000,000 to $20,000,000 or 400 per cent. as against an increase of 25

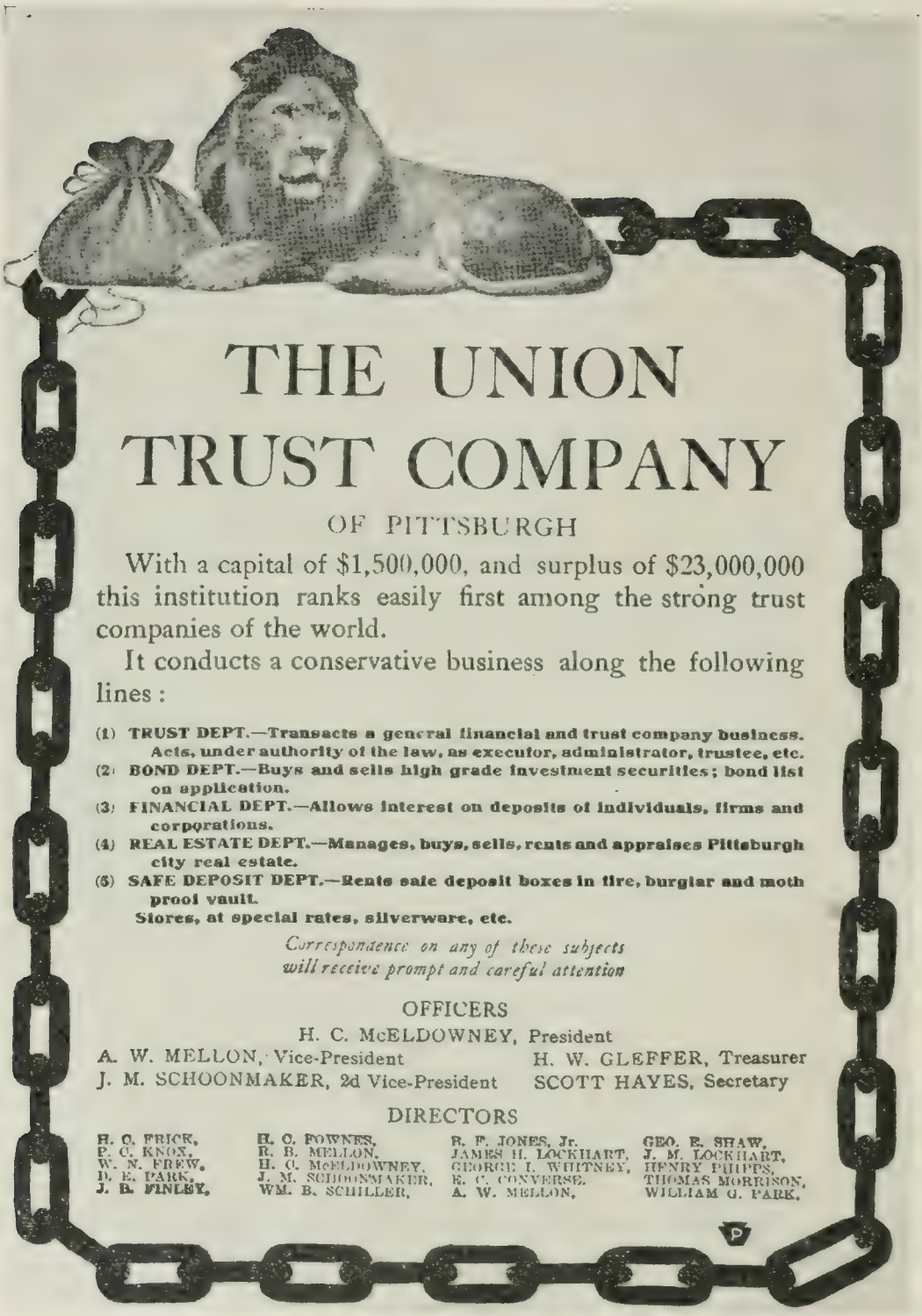


FIGURE 15

Excellent example of suggestions in an advertisement, i. e., strength and security in every line, it appears to me. The ad is weak in copy, carrying too many generalities to be strong.

CITY REAL ESTATE

A small fee,
paid us annually, will obtain all bills against your property for Taxes, Water Rates and Assessments in time to secure all rebates and avoid all penalties

Lawyers Title Insurance and Trust Company

CAPITAL & SURPLUS $9,500,000

37 Liberty Street, 59 Liberty Street
MANHATTAN
188 Montague Street, Brooklyn

FIGURE 16

This is a simple style of composition for use in newspaper space, especially when the position is next to or following reading matter.

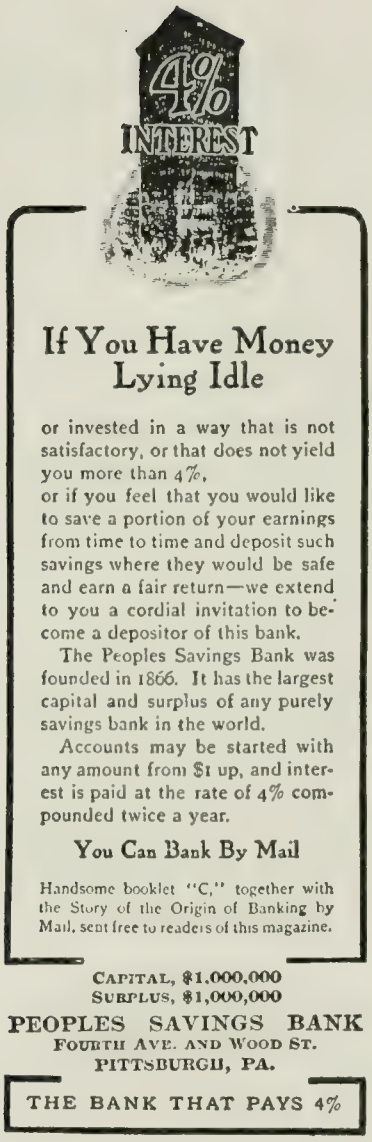


FIGURE 17

A plain and simple form of type display, not particularly elegant or striking, but in a half page position in a magazine is sufficiently striking to lift it out of the common-place.

ILLUSTRATION NO 10

The Oldest Trust Company in Oregon

PORTLAND TRUST COMPANY OF OREGON

Incorporated April 22, 1887

Some time ago a certain man sold a saw-mill He deposited the funds with us upon a certificate payable on ten days' call Shortly afterwards he bargained for another mill, and called our certificate The negotiations, however fell through and he canceled his call. This enabled him to continue in the receipt of interest without losing a day's time or a dollar of interest

Almost any business man occasionally has experiences of this kind The next time you have funds on which you wish to get some return, call upon

PORTLAND TRUST COMPANY OF OREGON

2% Interest paid on Check Accounts (even hundreds) on Daily Balances of $500 or over

ILLUSTRATION NO 11

The Oldest Trust Company in Oregon

PORTLAND TRUST COMPANY OF OREGON

Incorporated April 22, 1887

In the Autumn of 1902 certain good Sisters of Charity were constructing a large building. Like prudent people, they had their funds ready to pay for the same Again, like prudent people, they desired to get interest until it was necessary to disburse the funds. They accordingly procured from us three certificates of $5,000 each, payable on ninety days' call, with interest at four per cent per annum They called these certificates in time to make the several payments that became due to their contractor

Why will not this plan work in your case?

Give us an opportunity of explaining further to you

PORTLAND TRUST COMPANY OF OREGON

2% Interest paid on Check Accounts (even hundreds) on Daily Balances of $500 or over

ILLUSTRATION NO 1

The Oldest Trust Company in Oregon

PORTLAND TRUST COMPANY OF OREGON

Incorporated April 22, 1887

In February, 1903, a certain corporation took three of our Special Certificates of Deposit for $5,000, payable upon ninety days' call, with interest at four per cent per annum Thereafter they took two more, making an aggregate of $25,000 These certificates were called in September and paid in December, 1903 The proceeds were used by the corporation to establish a branch house in Manila

Can we not aid you in like manner in extending the commercial domain of Old Glory?

Come in and confer with us upon the subject

PORTLAND TRUST COMPANY OF OREGON

2% Interest paid on Check Accounts (even hundreds) on Daily Balances of $500 or over

FIGURE 18

Some illustrations which carry a certain conviction.

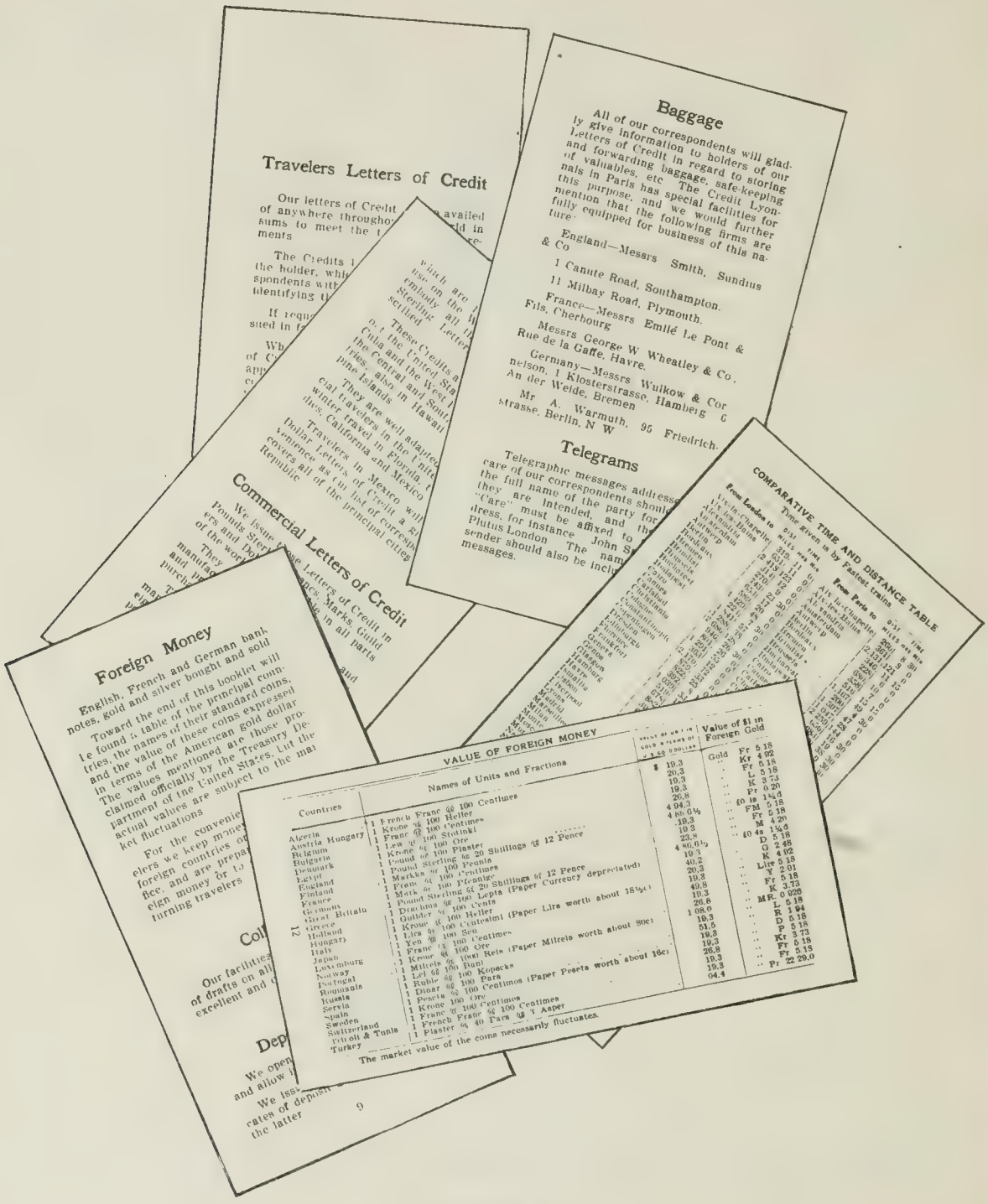


FIGURE 19

A few pages taken from a booklet, "Information for Travelers," issued by the Mercantile Trust Company of St. Louis.

per cent. in the capitalization of National banks. Deposits in these trust companies have increased from $15,000,000 to $230,000,000 in ten years, and in National banks from $130,000,000 to $280,000,000 or an aggregate increase of $215,000,000 in trust companies as against $150,000,000 in National banks, and an increase of 1,400 per cent. in trust companies as against 115 per cent. in National banks.

Shaw's Interesting Comparisons

Other large cities exhibit similar conditions. Many trust companies hold commercial accounts and regularly engage in discounting paper, and they hold in the aggregate more than $2,000,000,000 in deposits."

Startling as these figures are, and as absolutely unknown as they are to the vast majority of the public, the further comparison of the growth of the trust companies and national banks must prove even more startling:

BANKING POWER OF THE WORLD.

Banking Power of the World

According to the latest statistics the banking power of the world is $33,608,000,000, of which $13,826,000,000 is represented by the United States banks. The resources of the trust companies of the United States aggregate more than $3,250,000,000 which is over 23 per cent. of the banking power of the United States, and practically 10 per cent. of the banking power of the world. Secretary Shaw's suggestion in his report to Congress is very timely, when he points out the importance of giving trust companies the privilege of incorporating under Federal law. If such a law should be enacted, a requirement should be placed upon the trust companies in the matter of reserves. The stronger their reserves the greater their strength.

The ratio of increase in individual deposits of the National banks in the past twelve years is 110 per cent.

The ratio of increase of the banking power of the United States in the past fourteen years is 168 per cent.

The ratio of increase in individual deposits of the trust companies of the United States in the last twelve years is 390 per cent., and the individual deposits of the trust companies on June 1, 1905, were within a few million dollars of the individual deposits of the National banks of the United States in 1892.

These are facts that should be used in trust company advertising to show that the trust company is a powerful influence in the business world; that it is growing; that it is not an untried experiment; that it is established in the kind of business it is doing; that it is doing the things it says can be done.

The advertising done by some of the trust companies has been of a character to elicit the highest praise from the best judges.

The booklet work has been exceptionally fine.

Comment on Examples

I have reproduced in Figures 1, 2, 3 and 4 on other pages some booklets and books issued by two or three of the companies. I have not room to reproduce even one per cent. of the handsome pieces of typography given me by trust companies.

Here is a book (Figure 3 and 4) of 125 pages, 5 1-2x8 inches, bound in vellum, paper of deckled edge, "Strathmore," entitled "Advantages of

General Directions Concerning Our Travelers' Checks

1. Put date just after words "St. Louis, Mo., U. S. A."
2. Officers of banks selling our Travelers' Checks do not sign the checks at all.
3. We furnish a rubber stamp "Sold by.....Bank." Use it on vertical blank space at left end of check. It is your advertisement.
4. Charge customer one-half per cent (½%) commission; keep same as your profit. Send us face amount of check sold; do this on day of sale; use St. Louis New York, or Chicago exchange if you can.

How to Sign

5. At time of sale have buyer sign name after "Signature of Holder."
6. When he cashes them he will write the name of party paying him on middle line after words "pay to the order of" and in their presence sign his own name again on lower line after "Countersign Here." The comparison of signatures is the only identification required.

When Used as a Draft

7. Have buyer sign his name twice, as above; put name of party to whom remittance is made on middle line after "Pay to the order of."

How to Sell the Checks

Let people know you have them for sale. They can be used either as Travelers' Checks or as exchange on any part of the world. You often have customers going where they cannot be identified and cannot wait to have their drafts collected; sell them our checks. If you hear of any one intending to travel, have him call at your bank; then explain our safe, practical and convenient Travelers' Checks. If you have a call for exchange where you have no account, use our Travelers' Checks.

If you need advertising matter, we will send you some; if you want any information, we will gladly give it. Be alert for opportunities; the good banker makes them. Do not put the checks in your vault and wait for customers to remind you of them. We have hundreds of banks doing a good business with them; you can do likewise.

Mercantile Trust Company
Foreign Exchange Department
SAINT LOUIS

Festus J. Wade
President

Geo. Schuckher, Manager
Foreign Exchange Dep't

Address all correspondence concerning Travelers' Checks to Foreign Exchange Dep't

FIGURE 20

Circular sent to correspondents handling Mercantile Trust Company's "Travelers' Checks"

ANDREW CARNEGIE says: "The best way to accumulate money is to resolutely save and bank a fixed portion of your income, no matter how small the amount."

A Savings Account in the MERCANTILE TRUST COMPANY, paying you 3% interest, is the means of doing this.

Our Savings Department is open Monday evenings until 8 o'clock for your special convenience.

FESTUS J. WADE, President.
JAS. W. BELL, Mgr. Savings Dept.

IN JUDGING A BANK always remember that the Capital and Surplus are what give security to the depositor.

THE MERCANTILE TRUST COMPANY has a Capital and Surplus of Nine and One-Half Million Dollars.

This fact, together with able directors and capable officers make this Company one of the strongest in Saint Louis.

THE MERCANTILE TRUST COMPANY is the only Trust Company in Saint Louis a member of the Clearing House Association.

FESTUS J. WADE, President.
WM. MAFFITT, Treasurer.

MONEY CARRIED ON THE PERSON IS NOT SAFE.

Money loaned without proper security is not safe.

Money risked in speculation is not safe.

A Certificate of Deposit in the MERCANTILE TRUST COMPANY is not only safe, but will pay you 3% interest.

Take no chances, but aim to protect your principal by investing it in our Certificates of Deposit.

FESTUS J. WADE, President.
WM. MAFFITT, Treasurer.

YOUR INTEREST AND OURS ARE IDENTICAL. The MERCANTILE TRUST COMPANY appreciates that its success depends largely on the service rendered its patrons.

To this end we are equipped to handle all business pertaining to a modern Trust Company. There is a distinct advantage in transacting all your business with one company.

Call and have a talk with us.

FESTUS J. WADE, President.
WM. MAFFITT, Treasurer.

WHEN YOU BUY BONDS from the MERCANTILE TRUST COMPANY you buy safe, conservative issues.

While we do not guarantee to buy all we sell, we endeavor to handle only such bonds as we will be glad to repurchase.

And when you buy from us, you pay no commission.

Our Bond Officer will be glad to confer with you.

FESTUS J. WADE, President.
WM. FOLEY, Mgr. Bond Dept.

Talks from
MERCANTILE TRUST CO.,
8th & Locust Sts.

YOU WILL HAVE NO ANXIETY ABOUT FUNDS no matter where you may be.

The MERCANTILE TRUST COMPANY'S Travelers' Checks are good anywhere on earth at their face value.

You get the money in the coin of the country without deductions or commissions.

This plan makes traveling a pleasure.

Call and see our Mr. Schuckher.

FESTUS J. WADE, President.
GEO. W. SCHUCKHER, Mgr. Foreign Ex. Dept.

Talks from
MERCANTILE TRUST CO.,
8th AND LOCUST STS.

FIGURE 21

Comment on Examples

the Trust Company, with Special Reference to the Union Trust Company of Detroit, Michigan."

The book is divided into twelve chapters, as follows:

Chapter I—The Scope of the Trust Company.

Chapter II—Investments and Bonds.

Chapter III—Registration and Certification of Stock in Corporations.

Chapter IV—The Administration of Estates.

Chapter V—Making a Will.

Chapter VI—The Descent and Distribution of Real and Personal Estate.

Chapter VII—The Legal Duties of Executors and Administrators.

Chapter VIII—Summary of the Michigan Inheritance Tax Law.

Chapter IX—Testamentary Trusts.

Chapter X—Guardians.

Chapter XI—Abstracts of Title and Policies of Guaranty.

Chapter XII—The Safe Deposit Vaults.

This is not a booklet with several general paragraphs devoted to each of the above subjects, but a book arranged with all the art of the expert bookmaker, and written by a man who knew how to take the kinks out of legal verbiage and make the matter understandable to the layman.

It is a book worthy of the company that published it.

Some idea of the scope of the publications of a trust company may be gleaned from the following list of publications issued by this company:

Legal Duties of Executors and Administrators.

The Administration of Estates.

Have You Made Your Will?

The Descent and Distribution of Real and Personal Property.

Why Corporations Should Have Their Stock Registered and Certified by a Trust Company.

The Problem of Wealth and the Trust Company as Trustee.

Home Making on the Brush Farm (Real Estate).

Comment on Examples

Happiness in the Home (Real Estate).

The Book of the Union Trust Company.

Building Laws of the City of Detroit (Construction).

In the case where trust companies deal in bonds and other forms of investments, this list would be considerably enlarged, and such items will be considered under another title.

The advertising mailing lists of a trust company are more finely divided and cover a wider scope than either a commercial or savings bank. The Investor's List, The Taxpayer's List, The Householder's List, The Corporation List, The Real Estate for Sale, To Rent, Vacant Land, Farm, Improved, Factory, etc., lists, the Legal Lists, the Safe Deposit Prospects, the Bond List, the Stock Lists and perhaps a dozen more, are all parts of the machine by which business is obtained and opportunity coined into money.

Some of the eastern trust companies doing a title insurance business equip that department with a complete set of records of the county recorder of deeds office.

The use of the names and business alliances of a board of directors is generally a powerful leverage in obtaining business.

Two pages from a booklet, "Men of Ripe Experience," are reproduced on another page (Figure 5).

The advertising of audits (Figure 6) done by the directors of a company is strong. A certificate used by some of the New York trust companies is shown on another page.

Advertising of the different features of a trust company are shown in Figures 7 to 22, inclusive.

CHAPTER XXXII

SPECIAL ADVERTISING PROBLEMS OF THE SAVINGS BANK

MOST INTERESTING PROBLEMS ARE THE SAVINGS BANK'S—CONFIDENCE THE TOUCHSTONE—EXPERIENCES AT THE TELLER'S WINDOW—THE FAILURE OF SUCCESS STORIES—WHAT THE FRENCH SYSTEM TEACHES US—SOME STATISTICS AND TESTIMONIALS—THE LESSON OF THE BOWERY SAVINGS BANK —GREAT BRITAIN AND THE POSTAL BANK—THE PUBLIC SCHOOL SYSTEM OF FRANCE—COMPARISON OF THE UNITED STATES WITH FOREIGN COUNTRIES—GOVERNMENT "COMPETITION" —CANADIAN BRANCH BANK SYSTEM—FERTILIZING THE FIELD—THE MASSACHUSETTS SYSTEM—THE WOMAN'S DEPARTMENT—MISSOURI LINCOLN TRUST CO., ST. LOUIS—CAMPAIGN IN A LARGE CITY—CAMPAIGNING WITH THE LITTLE BANK—HOW THE ROYAL TRUST COMPANY CHICAGO, DID IT—THE CENTRAL TRUST COMPANY OF ILLINOIS, CHICAGO—HOW THE BUILDING AND LOAN ASSOCIATIONS GOT CHILDREN'S DEPOSITS—A SAVINGS DEPOSIT STATEMENT—THE HARRIS TRUST & SAVINGS BANK, CHICAGO—COMPETITION OF THE FAKE FINANCIAL SCHEME—MISINFORMATION IN THE PUBLIC PRINTS—THE KIND OF ADVERTISING THAT PAYS

IF THE ADVERTISING of a commercial bank is the hardest test of financial advertising practice, and if the advertising of a trust company is interesting, the advertising of a savings bank is fascinating.

The savings bank appeals to the widest circle of the public. It is as all-embracing in the character of its possible customers as the advertising of a breakfast food or a new brand of soap.

Because of this it comes closest to the human animal and nearest to the human heart in all its countless moods and tenses.

The Fascination of Advertising

I do not know of any more completely captivating thing in all the realm of advertising than to study the process by which the public is made to bring to your bank its hard-earned dollars and give them to you freely and trustfully to keep and to put to work.

This confidence, after all, is the touchstone of the world's success.

It is a great work ethically, which may not be of much moment to some engaged in it. Just the same, however, it is a great thing to be engaged in a business which doesn't require you to give your conscience an opiate every time you think of it.

Any man who has been privileged to get close to the life stories of the great mass of people who are our savings bank depositors, must be abnormal who has not found in these stories and in the people themselves a source of limitless study, reflection, education and inspiration.

A book of this size might be filled with the life stories of these people and every page made to yield up a treasure of genuine human interest—humorous, witty, pathetic, tragic, dramatic, mean, noble, little or big. **This Book**

The great wonder is that so few of those who are appealing to the human nature of the masses seem to have made use of the materials coming to the depositors' window every hour of the banking day.

The greater number still continue to talk the old, old, trite truisms about "save money and you will be wealthy," and they stop there, apparently at fault, not knowing which way to turn, and rely on dull repetition to make up for lack of power.

Stories, human stories, win most; the direct, simple annals of Life appeal to the living. **Human Interest Always Wins**

I know you will say it is the stories of the successful man who makes millions that appeal the most.

Experience is against you.

The boy, the youth, the "dead broke," the down-and-out, feast vicariously on the golden fables conjured by literary necromancy, but the solid wage-earner, the careless well-to-do, the man who is "making a living and a bit more," know what real life stories are and like them because they strike close to them. They like them just as they like Lincoln and his stories, as they like those men of the West and Southwest who don't always wear dress coats at Washington dinners, but who are true for the time, to the standards of their people.

Some of the stories are true. For instance, an "experience meeting" held by an editor of a financial publication brought out some new stories and methods of saving, both interest and suggestive. I subjoin a sample: **Some Are True**

> A West Virginia man with an income of $425 and a family of three has reduced saving to a science. He says: "We pay rent, keep a horse, live well, and bank $200." He opens letters by steam, and, turning the envelopes, uses them again. Noticing that his horse wasted oats when feeding, he contrived a little coop and carried a hen with him to pick up the grain. "But," he naively adds, "The plan was soon abandoned as the profit was small," and he concludes: "It is surprising how the habit of saving will grow by practice."

The following table will suggest some points of attack in the preparation of advertising copy, because I am a believer in the idea that the future savings bank advertising will devote more space to educating the people in *how* to save.

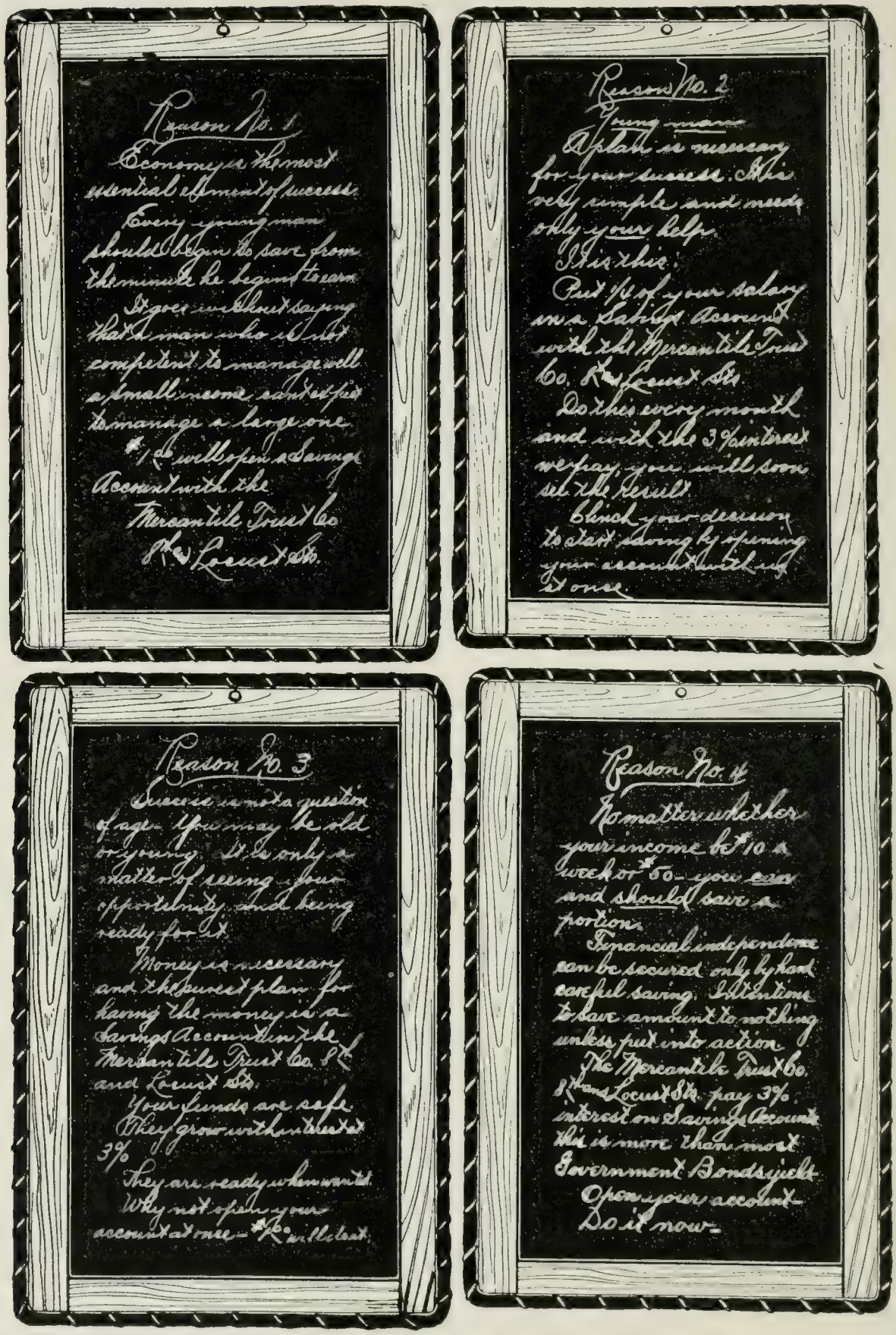


FIGURE 1

These stories for the Mercantile Trust Company of St. Louis are striking and suggestive and show up well in the newspapers.

Points of Attack Given

We have only to compare the per capita consumption of food of the American family with the same consumption of the French family to see what a difference ignorance and plenty can do as compared with thrift and enough. These items, for instance, afford a lot of chances to write advertising on "A System of Saving," which I mention later.

"Cut out the liquor," not because it is immoral or intemperate, but just because it doesn't pay, and so on through the list every item contains a suggestion worthy of the best effort.

I feel that we preach too much in some of our savings bank advertising, but we must not forget that in the appeal to the lowest intelligence a good scare is the best and most powerful "argument."

How They Save Money

There was furnished by over three hundred men and women, who gave their saving experience, and told how they did it, the following itemized information, to wit:

	Men.	Women.	Total.
Have system	40	26	66
No liquor	79	30	109
No tobacco	58	2	60
Don't gamble	18	5	23
Avoid luxuries	15	4	19
Co-operation of wife	43	..	43
Life insurance	15	1	16
Pay cash	28	10	38
Buy in quantities	16	4	20
Bargains	5	25	30
Self denial	8	20	28
Honesty	25	10	35
Save time	8	4	12
Don't waste	5	12	17
Walk instead of ride	18	5	23
Have home bank	20	10	30
Work hard	18	2	20
Own home	19	5	24
Have garden	12	7	19
Get married	5	..	5
Avoid Wall Street	21	3	24

PARDRIDGE & BLACKWELL, PRIVATE BANKERS.

MONEY IN THE BANK FOR YOUR CHILDREN

Supposing you take out Bank books for your children and deposit a dollar or any higher amount for each of them. Wouldn't that be a sensible sort of a Christmas gift? Especially, wouldn't it be a fine thing if it turned out to be the nucleus of a fortune? It is worth while, anyway, to encourage thrift and teach the young ones the benefit and absolute necessity of saving money. They will surely be interested in the proposition after being given a start.

Call at our Banking department and let us arrange this for you.

We issue regular savings account books and, if desired, furnish the depositor with one of our famous Home Banks, which can only be opened with our key.

Deposits made on or before the tenth of any month draw interest from the first day of the same month.

4

% Interest on Savings

Accounts can be withdrawn at any time without notice.

Office Hours: 9 to 5 daily, 9 to 9 Saturday

Balcony, Main Floor.

Pardridge & Blackwell

PRIVATE BANKERS MAJESTIC BUILDING

FIGURE 2

An example of a bold, crude, "flashy" display which appeals to the people who patronize the cheap department stores.

$500.00 FOR THE CHILDREN

Beginning this week, we will start *1,000* accounts for *1,000* children under twelve years of age, and on each of these accounts we will credit *50 cents*. Cut out this announcement and bring it in with *$4.50* to add to our deposit of *50 cents*. That will make *$5 00* to the little one's credit, which will immediately begin *earning interest*. You can add to the deposits from time to time as your circumstances permit. If you add to it only *$1 00* per week the child will have over *$700* at the end of the tenth year. *Doesn't this solve the problem of a college education?* 1

THE FIRST STATE BANK OF CHESTER, ILLS.

WE ARE STARTING 1,000

One thousand children under twelve are to have *bank accounts of their own!* We start these accounts with a deposit of 50 cents—you add $4.50, and then the $5.00 will begin to earn interest. If it doesn't suit you to add the $4 50 just now, bring in *$1.00*, and keep on making small deposits as convenient When you have deposited $4 50, we will add our 50 cents, and the money will then begin to earn interest. Now is the time to get the young people started to saving their money A dollar a week, with interest, makes over $700 in ten years.

This ad good for 50 cents. Bring it in with first deposit. 2

COR. WALNUT AND FIRST STS. CITIZENS BANK (INCORPORATED) ROGERS ARK.

FIRST DEPOSIT FREE

Now is the time for all the little folks to start on the road to financial independence. For any child of any age from *one day* to *twelve years* we will start an account with a deposit of *50 cents*. You add *$4 50* to this —that will make *$5 00* as a starter, and this money will begin to earn interest. Don't let this opportunity pass—it will lead to a college education for your son or daughter or provide the means for establishing a business of their own. Only *$1 00* a week added to the account will make over *$700* in ten years.

Cut out this ad and bring it in with first deposit. 3

BANK OF ROANOKE ROANOKE, IND.

THIS AD GOOD FOR 50 CENTS

Clip this announcement and bring it in person or send it in by mail with $4.50 and we will start a bank account for your child with a credit of *$5.00*, which will earn interest. The account may be carried in the name of any child *under twelve years* of age. Teach the young people to save. The only practical way to do it is with a bank account. Add *a dollar* a week to the account and see it steadily climb to *$700* in less than ten years! Begin *now*, under the terms of our Free Deposit Offer. 4

CAPITAL $40,000.00 PROFITS $33,000.00 BANK of CLARKE COUNTY BERRYVILLE, VA. 3% COMPOUNDED TWICE A YEAR

STILL COMING IN

More young people of this community now have bank accounts than ever before Every day they come in to take advantage of our offer of a *First Deposit Free*. This is the offer

Bring $4 50 to deposit to the credit of any child of any age from one day to twelve years. We will add it to our *Free First Deposit* of 50 cents, making $5 00 to begin with, and this money will immediately begin to earn interest. Start *now*, while this offer is open. Bring this ad—it will entitle you to the credit of 50 cents as a part of the first deposit. 5

The MULVANE STATE BANK MULVANE, KANS.

LAST WEEK OF OUR OFFER

First Deposit Free on children's accounts! Don't miss this opportunity to start a growing fund for the growing boy or girl We start the account with *50 cents*—you put in *$4.50*—and then you have *$5.00* already at work, earning interest day and night. Then add small amounts each week or month as circumstances allow and see the bank account grow to hundreds and to *thousands* before the young hopeful becomes of age.

Starting to save is hard. Keeping it up is easy. We give you the start. Bring this ad with $4 50 and get a $5.00 credit on a new account opened for any child of any age from one day to twelve years. 6

NATIONAL EXCHANGE BANK ROANOKE, VA.

FIGURE 3

Some things for Saving Depositors to consider.

Chicago is fortunate in having banks which are known throughout the world as being among the strongest in the United States.

The Merchants' Loan and Trust Company was established in 1857 and is the "oldest bank in Chicago," and it has successfully withstood every calamity known to the banking history of this country during the past 50 years.

It withstood the panic of 1859.
The great civil war of 1861-65.
Chicago fire of 1871.
Panic of 1873.
Panic of 1893.

The Merchants' Loan and Trust Company has built up a substantial banking business, due to the confidence of its depositors and its methods of conservative and safe banking. It has a paid-up Capital and Surplus of $6,500,000. The Deposits exceed $50,000,000.

The Merchants' Loan and Trust Company opened a Savings Department in 1902, which has had a rapid growth. Saving Depositors receive 3% interest. Deposits of $1.00 or more are accepted.

The Savings Accounts of all those desiring the services of an old and strong bank are cordially invited.

The Officers are:

Orson Smith, President.
E. D. Hulbert, Vice-President.
J. G. Orchard, Cashier.
F. N. Wilder, Assistant Cashier.
F. G. Nelson, Assistant Cashier.
P. C. Peterson, Mgr. Foreign Dept.
John E. Blunt, Jr., Mgr. Bond Dept.
Leon L. Loehr, Mgr. Trust Dept.
F. W. Thompson, Mgr. Farm Loan Dept.

The Merchants' Loan and Trust Building, northwest corner Clark and Adams streets, directly opposite the new U. S. postoffice. Bank entrance 135 Adams street.

Chicago banks pay the semi-annual interest to saving depositors in July. That is a particularly good time to open a new Savings Account.

Safe Deposit Vaults. Boxes, $3 Upward.

FIGURE 4

Strength and safety of a new savings department [emphasized by a recital of the storms the bank has weathered.

"A Savings Account is a sacred trust and must be zealously safeguarded both for individual and public good."

The Merchants' Loan and Trust Company is a member of the Chicago Clearing House Association and subject to the rigid and thorough examinations of that organization.

The Board of Directors of the Merchants' Loan and Trust Company,

Cyrus H. McCormick,	Albert Keep,
Lambert Tree,	Erskine M. Phelps,
Moses J. Wentworth,	Eros M. Barton,
Thies J. Lefens,	Chauncey Keep,
E. H. Gary,	Clarence A. Burley,
Orson Smith,	E. D. Hulbert,

recognizing their responsibility to the depositors and the general public, also make personal examinations and have an accurate knowledge of the affairs of this bank. The savings deposits are invested in such carefully selected bonds and mortgages as they approve.

The Merchants' Loan and Trust Company has a Capital and Surplus of $6,500,000. It was established in 1857 and is the "oldest bank in Chicago." During fifty years its conservative banking methods have been tested by great calamities and have proven to be wise and safe, having successfully withstood

The panic of 1857.
The great Civil War, 1861-1865.
The Chicago Fire, 1871.
The panic, 1873.
The panic, 1893.

The Savings Accounts of those desiring the services of a strong savings bank are cordially invited.

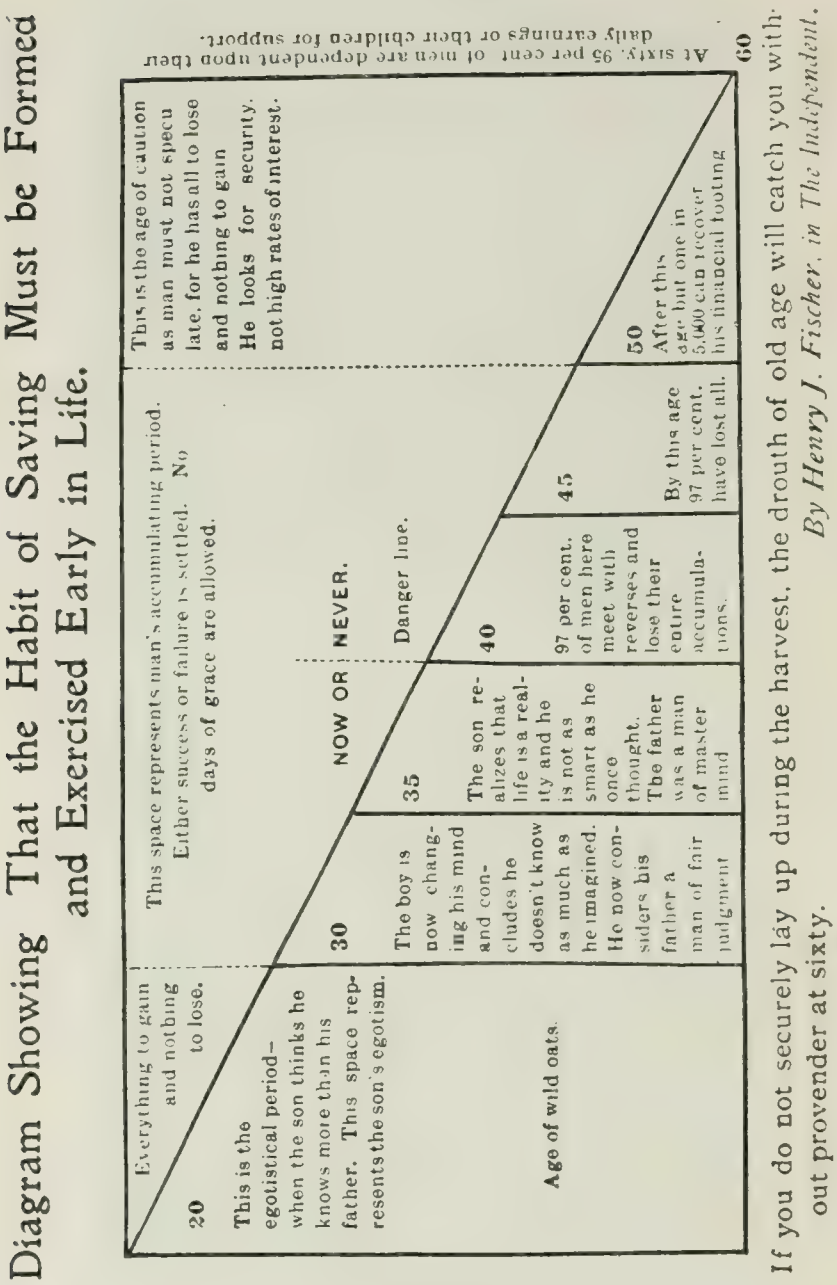
135 Adams Street.

Saving Depositors are paid 3% interest. Deposits made during the first five days of September will draw interest from September 1st. Money left on deposit until January 1st, 1907, will receive four months' interest.

Safe Deposit Boxes to Rent.

FIGURE 5

"Directors Who Direct." Exploiting that particular feature the day after the failure of a "one man" bank.



If you do not securely lay up during the harvest, the drouth of old age will catch you without provender at sixty.

By Henry J. Fischer, in The Independent.

FIGURE 6

A chart that has proven to be one of the most powerful arguments for saving that has ever been devised.

The Bowery Savings Bank

128 & 130 BOWERY

NEW YORK, DECEMBER 11, 1906

A Semi-Annual Dividend at the rate of

FOUR PER CENT

per annum has been declared and will be credited to depositors on all sums of FIVE DOLLARS and upwards and not exceeding THREE THOUSAND DOLLARS, which shall have been deposited at least three months on the first day of January next, and will be payable on and after January 21, 1907.

☞ Money deposited on or before Jan. 10 will draw interest from Jan. 1, 1907

William H. S. Wood, President

Henry A. Schenck, Comptroller William E. Knox, Secretary

FIGURE 7

The largest savings bank in the world used the newspapers to advertise

How They Did It

Live within income	36	18	54
Avoid debt	15	3	18
Few amusements	11	1	12
Avoid wildcat schemes	17	5	22
Take care of health	18	8	26
Building and loan societies	8	1	9
Get education	6	2	8
Cut out candy and soda	2	8	10
Invest in real estate	69	17	86
Invest in bonds	5	..	5
Invest in industrial stock	53	15	68
Answers	716	263	979

I know some of our clever old wiseacres will say that I have been fooled by the professional testimonial giver, who is always ready to tell wonderful stories in order to get his name in print.

The Genial Pessimist Loses Out

Let the genial old pessimists have their good time.

The lesson of the above is true and gathered from indisputable sources.

The lesson is here, and it appeals to any man who will consult his personal experience and knowledge of human nature.

The very catholicity of the appeal of savings bank advertising is its chief danger.

There is so much to say—so many different and apparently diverse elements to reach—that it appears almost impossible to make a workable plan that will reach all of them.

I have to a very large degree in previous chapters dwelt on the principles of successful savings bank advertising.

The willing saver is the man who stays longest on your books is the testimony of most of those who have paid for their experience.

The sensible talk, strong and direct, does the most permanent good, and on that basis we will leave the matter of what is best to be said for the past chapters to discover. Figures 1 to 6 present some hints.

When the Bowery Savings Bank of New York commenced to advertise (Figure 7) the savings banks throughout the East thought that at

least the sane, conservative, practical management of that famous old institution "had made a grave mistake." Some of the same genial old skeptics in Boston, New York and Philadelphia wouldn't believe for a long time that the advertising was a paying investment.

One by One They are Coming

Soon others in New York, some in Philadelphia and one by one those in Boston, swung into line and are now realizing what great power for good to the community and themselves one more "dangerous innovation" could accomplish.

There are thousands who think that savings banks are a very recent, a very American way of saving money.

Yet savings banks have a long, long history in this country.

The state in older countries has long seen that the savings habit was a necessity in any country where economic greatness was a reasonable hope for the people.

The Coming Postal Savings Bank

Great Britain in 1861 established the postal savings banks, through the work of Gladstone, then Chancellor of the Exchequer. Today one in every four of population of the United Kingdom is a depositor, and in 1905 the deposits were in excess of $760,000,000. As this chapter is being written, a bill to establish a United States Postal Savings Bank has been introduced in the Senate by the junior Senator from Pennsylvania, Hon. Philander C. Knox. The Filipinos have had the system for some months, and it commences to appear that the United States will join the majority of the great nations in this work.

In Australia there was in June, 1906, a postal savings, a government savings, a school savings and a settlers' aid fund, all under government supervision.

Belgian reports show that one out of nearly three inhabitants had a savings account, with an average for 1,000,000 persons of $19.30 apiece.

The public schools of France teach saving as a part of their economic policy. And the pupils in those schools deposit money in the government savings banks.

The drawing power of this system is tremendous and has produced phenomenal results.

The French System

The public schools of France teach the pupils, both boys and girls, how to save money by depositing regularly in the government savings banks, no matter how small the amount. The government will furnish money to all public school pupils, under certain conditions, with which to help start an account to provide an

Some Ways of the French

income in old age. Pupils attaining certain degrees of proficiency in their classes receive as prizes bank books with 10 francs (franc 19.3 cents) credited in each. It is demonstrated to them what this will amount to at compound interest at 3 per cent. when 21 years of age, also the amount they will have saved at that age if they deposit regularly one franc a week, one franc a month, etc.

The teachers of the public schools go out among the leading citizens annually just before the school year ends and ask for contributions in cash with which to make the savings bank book prizes. In most communities there is no trouble in raising what is needed. After the account is opened the teachers accept deposits from the pupils, and when one franc or more has been paid to the teacher by any pupil the amount is taken to the bank and credited in the book. * * *

Another plan opens to all pupils a means which provides an annuity in old age. Each pupil can deposit as much as he or she can, daily or weekly, up to 10 centimes (2 cents) per day, one-half of which applies to the fund for an old-age pension and one-half is deposited with the school for a fund to be available in case of the sickness of the pupil or the parents. For instance, the pupil who deposits upon this plan 10 centimes a day (less may be deposited if desired) will have 5 centimes placed to his credit in the Cash National of Pensions for Old Age and 5 centimes, the remaining one-half, will be held by the school for a sick fund to be paid out to the pupil in case of his own sickness or that of either of his parents upon whom he depends for support, but not to exceed 75 centimes (15 cents) a day as long as the money the pupil has credited to him in the sick fund lasts.

For every account of this kind the government will, annually, give each pupil one-half the amount he has paid the school in this way, being a sum equal to the amount the pupil has credited to him for a fund to provide a pension in old age. So it turns out in the end that the pupil has all the money he paid in credited to him on the old-age pension account, and has in addition a sick fund to draw upon if needed. In case the sick fund is not used it is finally deposited to the credit of the old-age pension fund.

All teachers of each school make regular reports to the superintendent regarding the deposits of pupils, and the superintendent reports to the Minister of Education at Paris, and the accounts, as well as all school matters, are inspected frequently by the traveling inspector.

There are two kinds of savings banks under government control. The Caisse d'Epargne has banks in the principal towns, and while the government does not own that system, it is under its direct control. Deposits in the postal savings bank can be made at any postoffice. The Cash National of Pensions for Old Age, guaranteed by the state and under its control, is more of an old age pension and life insurance institution than a bank. Children can have an account opened for them when they are three years of age.

Where does this European progress find the United States?

But 9 1-3 per cent. of our population are savings bank depositors, against 20 per cent. in Italy, 40 per cent. in Sweden, 33 per cent. in Belgium and 28 per cent. and 25 per cent. in France and England, respectively.

A Poor Showing

This poor showing is undoubtedly due to lack of education and facilities. The latter in turn is due to our great distances and widely scattered population, and the former to the press of money-getting rather than money-keeping.

In England there is one bank to every 3,000 people; France, one to every 5,000; Belgium, one to every 7,000; Sweden, one to every 1,250;

Italy, one to every 7,000; and in the United States it is *one to every* 67,000!

The consequence of this lack of facilities and education is that between 60 and 65 per cent. of our total cash assets is in the pockets of our people, ready, I believe, to be placed in the savings bank when the right educational method and the proper facilities for securing its safety have been accomplished.

Why the Savings Field is Great

I venture these facts and figures in this discussion of savings bank advertising in order that I may indicate from Government reports that the savings bank field in this country offers the greatest field for successful use of printers' ink, even in the face of Government "competition," which has been the bugaboo invoked by some opponents of the postal savings bank.

I venture to say, on the other hand, that postal savings banks will prove the best advertisement savings banks can get.

The postal will pay but 2 or 2 1-2 per cent. and the private or mutual pays 3 to 4 per cent.

It seems to me the opportunity lies in the difference.

The postal will naturally attract and get the money of the saver who is "timid about banks," but who has faith in the Government. He soon learns, however, that his money goes from the Government office to his local banker. It will appeal to him that the bank is a safe place after all.

They Do Not Compete

The history of the postal savings banks proves that the postal and private savings institutions flourish side by side, as the Italian minister is reported to have said. The experience of France is that the postal savings bank does not hurt other forms of state savings. In England the postal has not interfered with savings and investment societies of character and success. In Sweden the report is the same.

In Canada the branch bank system has furnished such ample facilities to the public that postal savings have never been a conspicuous success.

Saving is vital to the economic well-being of the State as well as to the individual. It is because, we are assured, that the American is not saving by instinct, that he permits himself to be robbed right and left by public and private thieves, in petty, little, contemptible ways that pass understanding.

Walker Says

Walker says, "Nations are progressive in proportion as they possess the power to save at every step of their progress." He says, "Capital follows one law. It arises solely out of saving."

Nothing can take the place of this capital. Bankers must have this capital with which to work; and the results show in France, where the science of saving has found its best expression, and through it the French have arisen to be one of the financial masters of the continent.

If we are to plan for the future we must educate the future citizens. Time is coming when we will not be able to plant and reap without giving back to the ground what belongs to it. We must save for the future; our children must be cared for and the children themselves must be taught to take care of what they have.

The new system will make for more saving by making more savers.

It will make business for the good banks and help to make trouble for the fake investors.

Again, the savings banks of the future will probably enlarge their field of operations.

Insurance and Savings

In Massachusetts in 1907 the savings banks have been permitted to establish life insurance departments. Through the efforts of Mr. Louis D. Brandeis these savings banks are permitted to keep insurance on sale in amounts not to exceed $500 to any one person. This will greatly benefit the policy-holder, because it will work a saving of a tremendous sum. Mr. Brandeis figures that if a man at twenty-one years commenced to pay fifty cents a week to a savings bank and the same amount to an industrial insurance collector, he would in his forty-first year have $2,265.90 in his bank account and but $820 of life insurance. This sum is certainly worth while to the man who has but fifty cents a week to put into anything of this kind.

It will probably prove a tremendous leverage in the hands of the savings banks, if it were to be adopted generally.

The next thing will be to get the money back into circulation among the makers of business.

These Straws

There are straws which show the direction of the wind; and bankers must have their eyes on the straws. The tendency is towards government becoming more and more concerned with the common wants and future welfare of the mass of the people, and towards providing them with the means to protect themselves and their property.

In view of this movement towards postal savings banks and other forms of government-controlled systems of thrift, the private, mutual or corporate savings bank must look ahead and prepare itself and the public for some consideration of the right thing to do. **Look Ahead**

The whole story of the most effective ways of getting money out of the wage earner, the small money maker, is condensed in one word—*education.*

This subject has already been considered amply, so let us consider a few special forms by which success has been accomplished.

Meet the ignorance of the public with information. Tell people what you do with their money; how you invest it; what you invest it in, and how you make it return profits out of which you share the interest with your depositors.

Of course, the talk about service, safety, size, are good in principle, but the talks generally degenerate into mere claims and dogmatic assertions. The banker says, "We are safe; look at our size—nine billions." That doesn't mean safety and any man who reads the yellow press knows it. **Size vs. Safety**

Service. What is it? Yet how often we read that much abused word in the bank advertising! Why not tell the people in what way the service counts for them? These words mean absolutely nothing to the man who has always kept his money in the old bureau drawer.

Suppose, however, the savings bank offers to cash the pay checks in the factory district. The savings bank has left this privilege to the saloon, with the inevitable bad consequences.

In larger cities the savings bank can open shopping district branches for women. The woman is the money saver in the middle classes. She handles the family pocketbook and because she is ignorant of the methods of banking too often saves money at a hazard in her own home. **The Banks in Large Cities**

Of late years the trust companies and some savings banks have started women's departments.

The manager of the Woman's Department, Missouri-Lincoln Trust Company, St. Louis, recently said, in a paper read before a woman's club:

> My experience is that among this class, the women carry the pocket-book, with few exceptions, for the good reason that when the working man receives his money, our Banks are closed and he goes to work before they open. Monday even-

Getting the Woman's Business

ings only are the Savings Departments of the Trust Companies open to the working classes from 5 to 8 p. m. Thus, you see the women, if any saving is to be done, do it. It is she who opens the account and closes it, either in her own name, her husband's name or jointly. Many accounts are opened and closed by the wives of working men, the husbands may never have been inside the institution. They may have started with only one dollar, saving until they have enough to buy a little home, then the wife brings the husband's withdrawal slip signed by himself and his saving book, and walks proudly off with our Treasurer's check made payable to the order of some realty company of whom they have bought a home, and later on they begin all over again with only a dollar, adding dollar by dollar until they can have a nice little account laid by for a rainy day. * * *

A woman's department under the management of a practical business woman of thorough training and experience, will flourish beyond the most sanguine expectations. It shows the needs of a woman are best and most satisfactorily served through the agency of a woman. If a woman be qualified to give trustworthy advice as to banking and other business matters, such as the safest and most profitable means of investing money, caring for property, etc., under her guidance and instruction the mysteries of banking and business are found to be very simple and commonplace proceedings. Today is the day of experts in every line of business; you will find in charge of each department of every successful institution a manager who is an expert. The further East you go, the more noticeable it becomes; in New York City, it is the expert who can find ready work and good wages. I am surprised that the Eastern Banks talk of the excellent facilities they offer the Eastern woman; our Western Bankers are showing them by leading in more ways than one, and are leading by demonstrating their talk by work—in giving our women a women's department. We can talk as well as work. I believe if any of the Eastern Financiers care to visit us to be educated, they will perhaps be surprised to find they have chosen the right place.

In spite of the publicity given women's departments, it is still unknown to many who no doubt would like to avail themselves of the comfort and convenience of the department. This fact is daily being demonstrated from the number of women depositors who express their pleasure and satisfaction for an institution that is broad enough to value their patronage. In other words, the women have learned to have confidence in a women's department and it will now be only a short while before the women depositors demand of the institution they patronize to look after their comfort and convenience as well as the men. The Banks and Trust Companies must keep pace with the tremendous advances that are being made by the women who have to transact their own private business and realizing that the method of women's depositing has been to the masses a great inconvenience and often times serious embarrassment, as it is impossible for the average woman to be familiar with all the local customs that prevail in regard to banking. Therefore, the inauguration of a special department for women is one of the best moves a banking institution can make for the satisfaction of customers and the enlargement of business."*

The Foreign Population

Presuming that the campaign is in a large city, the foreign population must not be overlooked. There are in all cities of 200,000 or over several publications printed in foreign languages. These papers appeal to the foreign population much more intimately than ours do to us. The savings bank or bank having foreign exchange facilities can obtain a very satisfactory line of business by using these papers regularly and backing it up by booklets and circular letters and pay envelopes in for-

*"The Bank Advertiser."

eign languages, and a watchful eye should be kept on the calendar for the dates of the foreign holidays—when gifts of money are generally sent to the folks across the seas—for foreign exchange business.

The foreigner

A careful study of the foreign settlements of any city will prove interesting and educative to any bank advertiser.

Probably the greatest impetus the savings bank as a business ever received was when the little bank or money saver was invented and introduced as an advertisement. Several experiences not included in the chapter devoted to schemes may be interesting and worth repeating.

In some cities these little banks have not proven a success. It is said they were not a success in Pittsburg.* The reason for this, some say, lies in the fact that the average wages paid in Pittsburg is the highest in the country, and as the people are not a penny-saving class, the penny-savers were not accepted as useful.

The Little Bank and Its Claims

It is well not to be led away from the main point; i. e., the little bank has proven popular almost everywhere. After a time, however, when the novelty wears off with both the bankers and the public, and the banker stops advertising it and the public stops asking for it, the penny-savers will be gradually forgotten and then discontinued.

I believe that much of the failure of those who have not made the little banks pay is due to poor management of the campaign, after the bank has been taken out by the depositor.

I have had six of these banks in the past five years. In not a single case did I ever receive a single piece of advertising after taking out one of the banks. I was forgotten; the little bank was forgotten, and ultimately the account was closed.

It seems to me that the little bank should be treated as a good prospect only, and that the educational process should go on regularly after the depositor opened the account.

The little bank has proven a wonder worker in many cases.

This story is told of a leading Chicago bank:

The Royal Trust Company, Chicago

The Royal Trust Company, Chicago, maintained a savings department for eight years, but somehow it didn't seem to be different from other trust companies' savings departments. In 1900 a few booklets were issued, covering this section in a general way, and the public seemed to be rather responsive. At the beginning of the following year some home savers were bought, and five different mediums

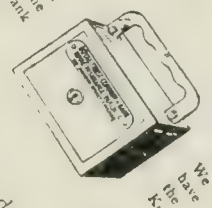
*This may not be strictly true now (in 1908) but I found no bank of importance championing them.

George and Robert are twenty-seven years old, each earning $3.00 a day. George and his wife buy whatever they want whenever they happen to have the ready money. "We are a long time dead," they say. Robert and wife buy all they think they can afford and still lay by $2.00 or $3.00 a week at interest. Figure out where George and Robert stand at 50.
Ans.—George has to move often to avoid paying rent, for he is now often out of work. Robert owns his own house, and doesn't have to work.

It is true that "We are a long time dead," but sometimes we are a long time old or a long time sick before we are dead, and there's the rub if we have spent the money as we earned it.

They were sitting in the front parlor. Charlie was telling about the yacht he and Tom were going to buy next summer and the swell entertainments they'd give. Carrie was secretly wondering how he'd pay for it, for she knew where he worked. Carrie had met Arthur on the street car that day and saw one of those metal Royal savings banks under his arm and she was thinking. What was she thinking about? Figure it out.

ROYAL SAVINGS BANKS



If you call and deposit $1.00 you are given a metal bank bearing a number which is entered on our books opposite your name. You also sign your name on a signature card so that the bank may know you when you call. When you bring in your bank the first time you are given a pass book on which will be credited the amount taken out of your bank as well as the dollar originally deposited by you.

FIGURE 8

FREE
WATCH BANK

A dollar in the bank is worth two in your pocket. Why not start a savings account and put away a portion of your salary? We offer you 3 per cent interest in a bank that is absolutely safe and where you will always receive courteous treatment.

One of our Watch Banks for the pocket will help you to save. They're free.

If you send us your name and address, and mention The Tribune, we will mail the bank.

ROYAL TRUST CO.—
BANK

Royal Insurance Bldg., 169 Jackson Blvd.

Capital and Surplus Profits $1,000,000

ALSO CHECKING ACCOUNTS.

FIGURE 9

This style of display is bold and offers contrast—attracting the careless eye of the casual reader.

The Royal Trust Company, Chicago

and of thrift, and so it comes that in many institutions, a year or two after the employed to advertise them—daily papers, street cars, elevated cars, painted bulletins, and advertising literature—such as booklets, folders, etc., in 75,000 editions. Wage-earners were sought first of all. In two years 20,000 depositors were added to the books, the deposits increased 300 per cent., and by experiment it was ascertained that very little of this business came from other banks. It was new business. This company has made a strong point of employing women in its savings department, finding them quick, accurate and not easily provoked into bad temper. Undoubtedly its women tellers have an influence on savings deposits. Advertising was managed through a separate department, in charge of a young woman, who not only attended to all contracts and checked up the different mediums, but wrote thousands of personal letters to savings depositors. When a home saver was taken out and a new account opened, this assistant sent a letter of congratulations. Later, when accounts had demonstrated stability, a letter was sent, offering premiums on new business brought by the depositor, which proved to be an excellent device. A portion of the advertising appropriation was set aside for experiments. When something new and promising was offered in the advertising line, the Royal Trust Company spent money to learn whether it was worth using. Sections of the city were marked out and worked in succession, territory of about ten blocks being the average. By confining advertising operation to such a district for a few weeks, by mail, it was soon determined whether the district offered a profitable field or not. Results were widely various, and much profitable territory was discovered in which expenditure could be concentrated, as well as territory to be left severely alone. Street cars, painted boards, etc., were centered in the factory districts. All newspapers were selected for cleanliness, without regard for cheapness of space. One German newspaper, of the highest class was employed profitably. The whole campaign hinged on two ideas—thrift and the home saver as an aid thereto.

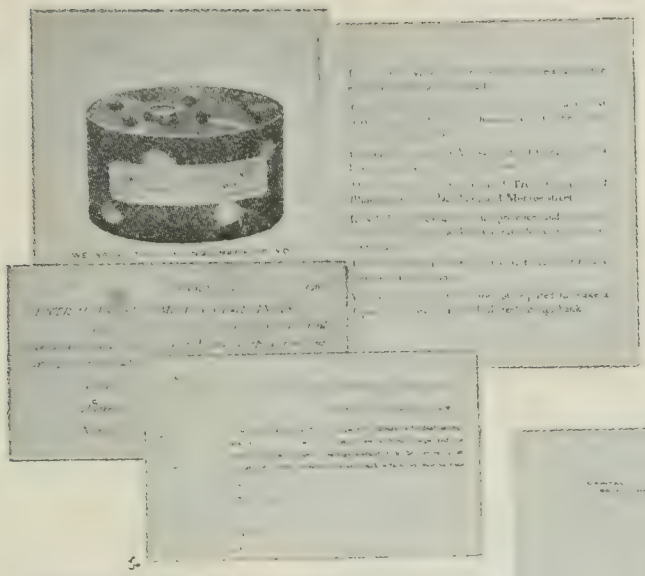
As a pendant to this picture of success, read an account of an unsuccessful campaign which started along precisely the same lines:

A New York Trust Company

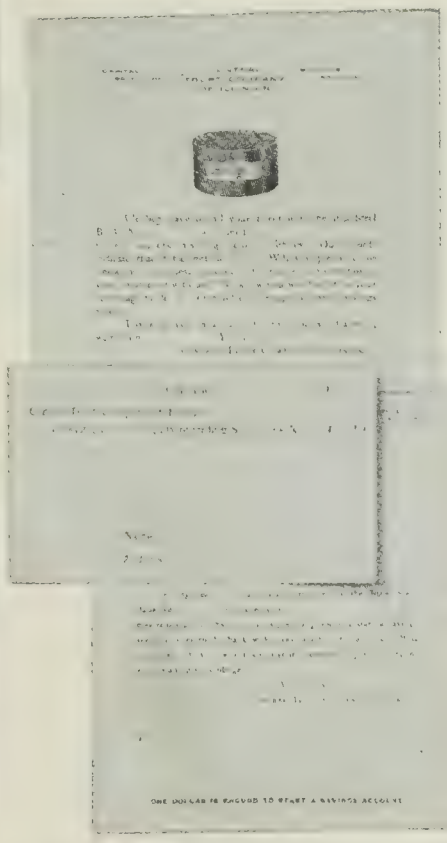
A certain trust company in the center of New York City, doing a large commercial business, bought home savers to promote its savings department. Newspapers and mail literature were used to call attention to these, and as a further inducement to patrons the company offered to let savings depositors use their accounts for checking purposes, placing no restrictions on size or character. This, of course, attracted thousands of small merchants and others of a kind who might easily with discrimination, have been transferred into desirable depositors, even feeding the company's commercial department. But within a very short time it was necessary to revoke the checking privilege, because the average account was too small to be profitably handled on such a basis. This was done with little tact, the first notification to depositors being a dishonored check. Instead of quick, courteous handling of home savers, as was done by the Chicago company's women, the New York trust company had only a single clerk to open the metal banks, count the loose change, and make entries on the pass-books. Often the depositor would wait an hour in line, and after having his bank opened, would speedily turn it in and draw out his balance. This whole campaign was begun and ended, a failure, within the space of two months. Yet it had all the elements of novelty and success. The checking privilege in a smaller community might be made a feature for attracting a highly desirable class of depositors. Stupid management led to its being a cause of disaster. The advertising put out was of convincing character, and brought the public in, ready to do its part.

Some Royal Trust Company advertising is shown in Figures 8 and 9.

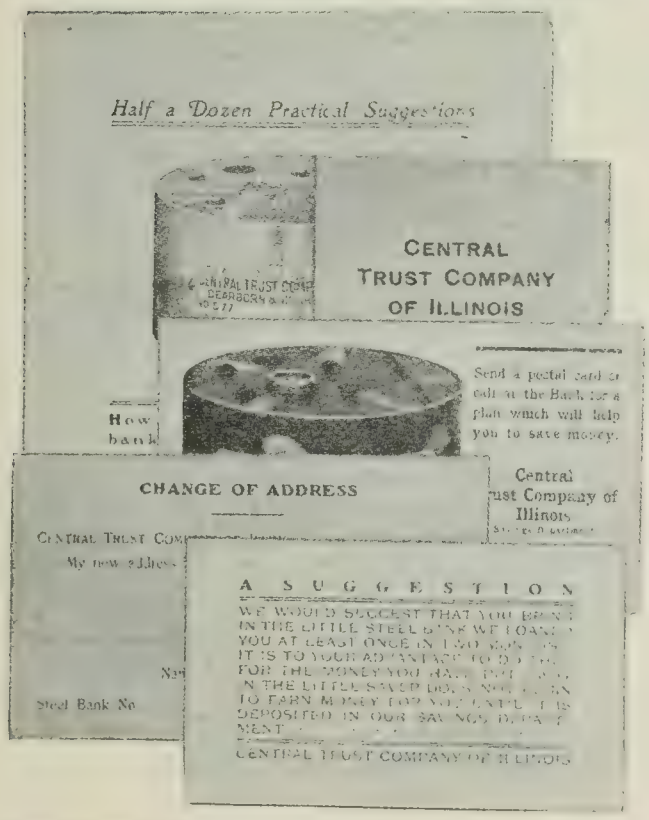
The following is another story from the same city, showing how the advertising has paid when the campaign is carefully planned and executed with constant attention to the smallest detail:



First circular in a successful city mail campaign, showing the appeal, return postal and receipt for home bank



Second and third circulars in "follow up" of prospects who received banks but failed to start accounts



Circulars, booklets and postal cards used to keep in touch with owners of dormant accounts and to suggest easy methods of saving

FIGURE 10

Central Trust Company, Chicago

The savings department of the Central Trust Company of Illinois, in Chicago, has been built up by thorough distribution of these home savers.* In two years 35,000 of them were put out, resulting in 24,000 live savings accounts, though the company had been in business only two years, and was almost unknown in its city.

The advertising took a political turn. In Chicago the name and address of every voter is published before election. These registration lists were made the basis of a mail campaign. A room set apart had its walls covered with ward maps of the city, and upon these were marked the precincts where skilled mechanics, clerks, the salaried, the well-to-do, and the rich reside. All slums, tough precincts, negro quarters and districts populated by undesirable classes were blotted out. By reference to these maps it was possible for the mailing clerks to know whether a person living at a given number on a certain street was desirable or the contrary. Booklets were sent out, with reply cards, offering a home bank for a dollar deposit. The reply cards were stamped for return postage. Every desirable precinct was given a key number, and this was written on the reply card, so that it could be determined whether a given district was responsive enough for subsequent operations. The replies averaged more than 17 per cent. over the whole city, but many preconceived notions about certain territories were overturned. Some precincts that had been thought most promising returned not a single reply, while others held in slight esteem turned in surprising results. Among the best were those districts where the rich live, children in this territory taking out more home banks than any other class, and developing a strong interest in saving. One or two advertisements inserted in church programmes, largely as a charity, brought into the banking rooms crowds of undesirable prospects, and other experiments pointed to the value of limiting advertising effort to certain territory, determined by actual responses and the subsequent development of stable accounts.

This company has made mailing lists its chief advertising medium, not only because they are direct, but because more people can be reached, and reached oftener than for a newspaper expenditure of the same proportions. But newspapers have been deemed necessary to give the mail campaign prestige. Only a general advertisement of the company is published as a sort of indication of its standing and a reassurance to the man or woman who receives booklets or folders. The advertising manager cites a single insertion in the Chicago Daily News as an instance, fifty lines double column, costing $31.50. Such an ad must bring in to the bank making two per cent. on deposits, new business aggregating $1,500, and this must be left a year before the banker gets back the cost of his single insertion. The Chicago Daily News, however, is one of the most costly daily papers in this country, a fact not to be overlooked by the banker doing business where space is cheaper. On the other hand, with $500 worth of circulars, mailed according to his political distribution, the manager, has secured 100 new accounts—$5 apiece. He admits that newspaper advertising helps circularizing, for people know the bank or trust company instantly if it is represented in newspapers in the right way. The circular talks alone, however, where a newspaper campaign, if successful, is likely to attract competition from other bankers. Each new advertiser who comes in lessens the probable return—though against this opinion one may set the experience in Pittsburg where all the banks have been advertising in the papers for five years, and each month's expenditure seems only to increase the general interest of the public in savings.

These instances reveal methods of making a beginning with home savers. There is something fundamental in the idea of the little steel bank on the mantel shelf which appeals to thousands of persons in the average community who desire to save, but have never made a beginning. Thrift maxims might appeal to them, but the home bank is practical. Judicious placing of steel banks develops systematic thrift in a percentage of such depositors, and they eventually return the bank because they can get along without it. Another percentage tires both of the bank

*The little banks.

FIGURE 11

home bank has been adopted, the little money boxes may be seen piled in rows behind the teller, outgrown. But this must never be taken as an indication that they have not served their purpose effectively."

Figure 10 shows some advertising used in this campaign.

Children's Deposit

Some of the savings bank people have made special campaigns for children's deposits and others have gone after the babies, as shown in another page. Watching the birth list is all that is necessary. Some advertisers have even sent a letter of congratulation and good wishes, and enclosed one of their little banks for the baby. This scheme has worked well and has served to interest the older members of the family. Figure 11 shows an appeal for children's accounts.

A building and loan association of Corning, New York, is reported to have opened a juvenile savings department for the purpose of promoting saving among the children. At the end of a year there was a membership of 522 children, with nearly $9,000.00 on deposit. As Corning is a town of but 13,000 population, this showing should be remarkably gratifying.

There are some ways of advertising a savings bank which serve to bring it into prominence and awaken great public interest. These ideas and the nerve to carry them through come to but few bank advertisers. One of the most effective "startlers" I remember to have seen was a seventy-five column advertisement issued by the Schenectady Savings Bank on the first day of January, 1907.

The Largest Advertisement of a Savings Bank

The advertisement occupied ten full pages in the "Schenectady (N. Y.) Gazette" for February 20, 1907. In these pages were given the bank's complete statement of assets and liabilities.

Commenting on the statement, Mr. Allen W. Johnson, the treasurer, writes:

We judge that the interest taken in our detailed statement for January 1, 1907, is largely due to the fact that it is in keeping with a widespread desire on the part of the public for greater publicity in banking affairs.

While leaving the matter of advocating such publicity to the able writers in periodicals which are doing so much to promote and foster it, perhaps a few words in that direction directly connected with the detailed statement of our savings bank, will be of interest.

As you are aware, our statement comprises the entire list of bonds and mortgages, in detail, with dates of maturity, rate of interest and amount of principal, by number, the names being given for bond securities, but only numbers for mortgages.

Our liabilities to depositors are also given in detail, by number, and balances due, consisting of 22,235 accounts, with an aggregate of $6,301,391.74 making altogether ten pages of standard newspaper size.

12 SPARE MOMENTS

The Savings Bank Surplus

By AMOS STOTE

Bank Officials Look Out for Their Friends

Unclaimed Deposits Augment Surplus

Figures Showing Surplus, Conservative

Extravagant and Luxurious Tendencies in Buildin.

Effect of Surplus Distribution on Railroad Securities

FIGURE 12

November, 1907 SPARE MOMENTS 13

First Dividend November 5th

[illegible]

Spare Moments Rapidly Forging to the Front

[illegible]

First Dividend on Preferred Stock to be Paid Nov. 5th

[illegible]

The Common Stock is $10 a Share

[illegible]

How the Business is Coming In

[illegible]

Don't put it off until too late

[illegible]

Get in on the Ground Floor

[illegible]

A Last Prediction

[illegible]

Leonard Darbyshire

[illegible]

Address all letters and telegrams and make remittances payable to

Leonard Darbyshire, Inc. 179 S. Paul St., Rochester N. Y.

Application for Shares

[illegible]

FIGURE 13

Schenectady Savings Bank

This statement was published in the regular issue of the "Schenectady Gazette," having a circulation of about 17,000.

As interest will be aroused as to how our statement was received by our depositors, I will state that on the day of its issue the sale of the newspaper containing it was extraordinary, and we found upon questioning our depositors, that almost invariably, on that very day, accounts had been compared with passbooks. Satisfaction was universally expressed by our depositors and many compliments paid us upon the enterprise.

Considering the results obtained in so many ways from the publishing of our detailed statement, our bank management regard it as an economical plan, accomplishing much good effect that could be obtained in no other way that we are advised of. It makes a complete check upon the business of the bank, the exact balance which we had, being a source of satisfaction to the entire bank force, our depositors having an opportunity to know the inside of the bank they deposit with, and information given to the public who may desire information of the bank before opening an account.

We may also mention good results, such as finding of balances in the list by parties who had laid aside and forgotten their bank books for years, but having memoranda of numbers; the adding of interest to such accounts, thus preventing them becoming "dormant accounts" and the bringing in of books for entries of interest.

We do not know of a single depositor who has objected to our making the statement.

The Burroughs Adding Machine has done much to make possible such a detailed statement.

May we be allowed to ask a question? If such a statement can be made successfully by a savings bank having a comparatively large number of accounts, is there anything in the way of national or state banks and trust companies availing themselves of the advantages of as complete a statement by the use of numbers, both for their assets and liabilities, thus aiding in the work of the banking departments?

We are receiving many letters from all parts of the country, congratulating us upon the detailed statement, with indications therein that the plan will be adopted by other institutions.

So many requests have reached the bank for more definite information, the following statement has been prepared which will guide other institutions who may desire to adopt a similar plan:—

By publishing the pass-book accounts by number, a complete check is made upon the balance in each pass-book, as well as upon the aggregate amount of all the depositors' accounts in the bank; the same principle applying to the assets, as they are all numbered, and when interest is received from mortgages the numbers are given on the receipts for interest.

As no bank would publish less assets than it had, nor more liabilities than it had, the check is complete from the outside as well as from the inside of the bank.

The accounts were drawn off from the ledger cards with an adding machine. Each column of the newspaper carries 380 accounts, a footing being made for every column—such footings carried forward to the end of the list. The numbers of the accounts were put on with a hand stamp opposite the accounts. Adding machines were used to foot the numbers as well as the accounts, in order to verify. Adding machines that are listing machines will foot both numbers and accounts as they are drawn off from the ledgers. We expect to use such machines when we make our next detailed statement. The work will then be much easier.

The proofs received from the press, both numbers and amounts, were refooted by the machines to verify.

The Schenectady Savings Bank

Announcement was made in the newspapers published in this vicinity several days in advance of the detailed statement. We stated that numbers and amounts only of depositors' accounts would be published. The "Schenectady Gazette" has about 17,000 circulation, our statement being a part of the regular issue.

The expense to the bank for the statement complete, including 10,000 copies in pamphlet form, postage and advertising for the special report, was in the neighborhood of $1,000. The sales of the paper on the day of issue were very large, and we find that very many of our depositors compared their accounts on that day.

No objection has been made on the part of our depositors or any one connected with the bank in any way, to the publication of the detailed statement. On the other hand much gratification was expressed and many compliments paid to the bank by those interested, and by the public, at home and abroad.

The pamphlet containing the detailed statement will be distributed from the bank and through the mails, to banks and others.

It is not intended by the bank to make a detailed statement regularly, but only at such periods as may be chosen by the management.

It is perhaps well to note that a check upon the business of a bank is not to be obtained completely by calling in the pass-books, as even if such system could be made complete, the public cannot verify the aggregate of the deposits. Such verification is made by publishing the list of accounts—this applying to assets as well as to liabilities. Although this detailed statement was made during one of the busiest parts of the year for a savings bank, and a special abstract being made of depositors' accounts (our regular abstracts are taken May and November), the regular business of the bank was not interfered with to any extent, and no serious inconvenience attended the getting out of the statement. We employed but two extra helpers.

This method of procuring a complete audit of every account, by the customers themselves, was a daring piece of work and one worthy of the great success it achieved.

I might mention hundreds of odd methods and queer and clever schemes by which the savings of the people have been reached, but space will not permit. The most profitable methods have always been those which, in themselves, suggested thrift and the necessity for saving.

What They Do to Get Business

For instance, the Harris Trust & Savings Bank (Chicago) issued a household account book, with columns for the ordinary subdivision of the household expenses and an extra column for "Deposited with Harris Trust & Savings Bank."

To get the business it is necessary to go after it, as seen in the little bank, the personal letter, the solicitor.

An Indianapolis company went out into the outlying districts and appointed druggists, grocers and small tradesmen agents for the savings department. The money was collected once a week from the branches and the details of bonding the agents and advertising in the localities were worked out in detail.

This same plan could be adopted by savings companies so located with respect to small towns and villages as to make it a system worthy of consideration.

The Active Enemy of Thrift

The necessity for ceaseless advertising lies not so much in mankind's constant tendency to lapse into forgetfulness and indifference, but to a more active and persistent enemy of thrift—the fake investor, and the misrepresentation of all kinds of financial institutions flowing from the pens of fools and ignoramuses, when it is not a type of knavery which masquerades as political economy.

I have already given some attention to the competition of the fake financial scheme.

The schemer yearns for a chance at the savings deposits. He aims his whole battery of seductive description and "facts and figures" at the man and woman with a few hundreds, and purposely ignores the man who can call on thousands.

Without reference to the legitimacy of the proposition I reproduce two pages (Figure 12) from a publication, which shows a very clever juxtaposition of an article on savings banks and appeal for investments. On the one page we see a pointed attack on the savings bank as an economic institution, on the page opposite is a notice that a dividend of 7 per cent. on a preferred stock had been declared.

Now, 7 per cent. looks very good to a man who is getting but 2 1-2 or even 4 per cent. for his money, especially when he is told in an article in another part of the paper by a disinterested writer that "Bank Officials Look Out for Their Friends." "Extravagant and Luxurious Tendencies in Building" and stories about the millions of unclaimed deposits, the surpluses that mount and mount and never bring anything to the depositors. All of this kind of talk, of course, has a very bad effect on the mind of the present or possible depositor.

The Vicious Education by Ignorance

I question very seriously if the savings bank's own advertising will be found entirely adequate in overcoming this kind of competition. The bank's standing and security must be constantly hammered into the public mind by means of booklets, letters, folders, newspaper advertising and all other legitimate means, but indirect means must be used to shut out of the columns of the local newspapers, the fake schemes, and to get the newspapers to publish articles of an educational nature at frequent intervals. These articles have already been described, but a double necessity

LOSS EXPERIENCE.

LIFE LOST ON ACCOUNT OF MONEY, MONEY LOST BY FIRE AND THEFT.

My Dear Money Holder:

I take pleasure in giving you herein the history of a few loss incidents and hope that you profit thereby.

John McNash, a miner, living at Kerbs, Ind. Ter., buried $3,485.00 in gold beneath his house. When he went to dig it up, he found that somebody had been there before him. Every dollar was gone. The money represented many years of his work in the mines.

Henry Zorati, Buhl, Minn., had $200.00 in bills "safely" stowed away under the carpet. His sister began house cleaning one day, gathered up all the paper and rubbish under the carpet and burned it. Loss, $200.00.

Herman Patt, a Russian, lived in St. Louis, and accumulated a considerable fortune which he concealed in cash in some place known only to himself. Recently he was taken suddenly ill, and tried to tell his family the whereabouts of his money, but was unable to speak, and he died without imparting the information. His dependents are left in needy circumstances, and have been unable to find the money to relieve their distress.

Miss Martha Buchanan, spinster, Logansport, Ind., was known to keep quite a sum of money in her house. One morning she was found dead in her home, marks on her throat indicating that she had been choked to death. Her money was all gone.

Robert Atkinson, eccentric bachelor, St. Charles, Ind., hid his money in tomato cans and tobacco boxes. He died suddenly, and his relatives have been digging all over the place to uncover his wealth. Thus far they have turned up $3,800.00. Much more will probably never be found.

William Hoban, grocer, Minneapolis, Minn., had the bad habit of keeping his money in his house. Mask men came in one night and took several hundred dollars away from him.

John Bailey, Fox Lake, Ill., went to Chicago with $3,150.00 cash in his pockets. Pickpockets sat next to him in a street car. Now he is back on the farm earning $3,150.00 more. It will take a long time.

Mrs. W. G. Bradt, Dillionville, Ohio, nearly lost her life in her burning home in an attempt to save a box containing $1,000.00 which had been secreted in her room.

Chas. Bosler, a farmer living near Flatonia, Texas, kept his money hidden in an old shoe under a board in the corner of his yard. One day he went to the shoe to draw $50.00 for current expense and when he reached under the board he was bitten by a rattle snake. His life was despaired of for a time, but he finally recovered and transferred his account from the old shoe to the bank.

Dr. J. A.. Turner, Alexander, Ky., had $5,000.00 which he foolishly kept in his smokehouse instead of depositing it in a bank, as sensible people do. Robbers learned of the doctor's treasure, and the inevitable happened. Hereafter he will bank his money—but the lesson cost him $5,000.00.

Lawrence Kenny, St. Louis, used an old pair of shoes for deposit boxes and secreted in them $100.00. His wife did not know it, and gave the shoes to some poor people who doubtless appreciated the gift after learning its real value.

PROFIT BY THE COSTLY EXPERIENCE OF THESE UNFORTUNATE PEOPLE, AND DEPOSIT YOUR HARD EARNED SAVINGS IN THE CITIZENS BANK OF BLACKSHEAR WHERE IT IS INSURED AGAINST LOSS FROM ANY CAUSE.

M. R. MILES, CASHIER.

FIGURE 13

Never let the people forget how dangerous it is to hide money in anything anywhere but in a bank.

is apparent where the most ignorant classes of the public are your customers present and to be.

Every article appearing in the newspapers, every circular which you find distributed in your territory, which misrepresents either the savings bank plan or the real value of some investment scheme, you should meet with intelligent criticism and suggestion.

The Lax Laws of Regulation

The savings bank in some states labors under a disadvantage which some have thought was an advantage—lax laws relative to investments.

Any well conducted savings bank is willing and anxious to have its depositors amply protected by law.

In the East the directors as a body exercise more direct control over the investments of the savings funds. The Middle States are more lax, excepting Ohio, while some of the Southern and Western States permit one or two officers of the savings banks to do almost anything it may please them to do.

If you can do so, reprint your State laws, or make a digest of them as relating to the conduct of savings banks and let the people know how well the State looks after them.

I have spoken of stories and their appeal. Here is one that has been found useful in illustrating what the growth of small sums by compounding means:

A Story that Appeals

Benjamin Franklin wanted to leave the cities of Philadelphia and Boston a legacy. He had $10,000 to be divided between them—not a very large sum to bequeath to two cities for municipal improvement. But he directed that each city put out its $5,000 at interest for 100 years in charge of trustees. At five per cent. in one century, it would grow to $655,000. Then the $600,000 was to be spent in civic improvements and the $55,000 again put out at five per cent. By the end of the second century this $55,000 would have grown to $20,305,000 and Franklin's original modest $10,000 would have produced over $41,000,000 for Boston and Philadelphia. At the end of the second century, said Franklin's will, the accumulation would be so great that he did not presume to dictate further as to what should be done with such a huge sum. This is all the growth of interest, and nothing else.

You frequently hear of rare coins selling for large sums. One of these is the dollar of 1794, which brings $60 whenever a specimen appears. But if a man in the year 1794 had put one of these dollars out at four and a half per cent. interest, the compound by now would have brought him more than the price any numismatist is willing to pay for the dollar of 1794. His original dollar, in other words, would have grown to a point where it would secure him the use of $1,000 at six per cent.

This is a concrete way of putting it, and I submit it is more forceful because more understandable than the outworn phrase, "3 per cent. interest on deposits," which appear in so much savings bank advertising.

Savings Talks No. 3

Most people expect to be prosperous some day—
They don't know why or how or when—
Just expect fortune to smile on them in some mysterious way—
Why leave the matter to chance?
Build your own fortune—
Lay the foundation—
Today—
With a dollar—
In this strong bank—
Absolute safety—
And 4 per cent.

THE UNION SAVINGS BANK

FRICK BUILDING

Savings Talks No. 9

Elbert Hubbard, the talented editor, and the head of the Roycroft shops, says:
"The man with the 'bank habit' never gets laid off—
"The 'bank habit' means sound sleep, cool judgment, good workmanship—
"A man with the 'bank habit' is too valuable to part with—"
You can start the "bank habit" at this strong bank with $1.00—
4 per cent—
Absolute safety—

THE UNION SAVINGS BANK

FRICK BUILDING

Savings Talks No. 13

How much are you worth?
If all your debts were paid how much would be left?
Perhaps not a solitary copper—
And yet—
Just think of the money that has passed through your hands—
A little of it saved regularly would have made a nice sum—
It's not too late to begin—
Better put a dollar in this strong bank today—
4% and absolute safety.

THE UNION SAVINGS BANK

FRICK BUILDING

Savings Talks No. 14

Small debts accumulate rapidly—
Small savings do likewise—The man or woman who starts either to save or to spend is surprised at the result—
Spending everything means continual worry, perhaps a mountain of debt—
Saving, putting by a little each week, means a stack of dollars and "that comfortable feeling"
Which are you doing?
Let's hope you have elected to save in the future, if not in the past—
Better begin right now—
4% and absolute safety at

THE UNION SAVINGS BANK

FRICK BUILDING

A Saving Chance

Wisdom may be as shrewdly shown in money saving as in money getting. There are many who show great brilliancy in getting money, but make no effort to save, making no provision against sickness, accident, loss of employment and old age by saving while prosperous. Our bank is perfectly safe—We encourage savings from $1 up. It is here for them any time they want it—and in the meantime it is earning

4 PER CENT INTEREST

Security Savings Bank

Cor. 2nd Ave and 2nd St.

Lessons in Saving

can be taught the youthful minds much easier than when older. Every parent or person in charge of children should teach them to save a portion of their pennies and nickels and put them not only where they will be safe, but earn something.

It will surprise you to see how easily the child learns the lesson of saving and the earning power of money. The greatest lesson in the school of life is the lesson of Thrift.

This bank is safe—it encourages deposits as small as $1 and we pay

4 PER CENT INTEREST

Security Sav ngs Bank

Cor 2nd Ave and 2nd St.

The Hand That Saves the Dollars

is the hand that guides finance. If a boy can learn that splendid lesson, his future success need concern you little—the world will know him as a ruling factor in the great battlefield of commerce.

Think this over very carefully, applying it to yourself and teach it to those who look to you for help and suggestions. Begin at once to save.

Our bank is a safe place for your savings. We encourage small deposits, $1 being sufficient to open an account. Money always ready when you want it, and in the meantime it is earning

4 PER CENT INTEREST

Security Savings Bank

Cor 2nd Ave and 2nd St.

No Saving in Youth No Spending in Age

After all, it is as we grow older that we most need and appreciate the comforts that money will buy.

We invite your savings account—large or small. 3% interest. Mondays, open till 8 p. m.

You cannot hire another person to work for you unless you have spent less than you earned, for otherwise you would have nothing to pay as wages.

Unless you save you can never have any capital with which to accomplish anything.

We invite you to make a deposit with us every pay day. 3% interest.

Reserve and capital—a savings account answers both uses.

It is a reserve for times of hardship, weakness and want.

It is capital to use when a business opportunity offers.

We invite your savings account, small or large. 3% interest.

ROYAL TRUST CO.—BANK

Royal Insurance Bldg. 169 Jackson Blvd.

Established 1891. A State Bank

James B. Wilbur, President
Edwin F. Mack, V.-Pres. and Cash.
John W. Thomas, Asst. Cashier

Checking Accounts—Savings Accounts
Bonds, Real Estate Loans, Trusteeships

ROYAL TRUST CO—BANK

Royal Insurance Bldg. 169 Jackson Blvd.

Established 1891
Mondays, open 10 a. m. to 8 p. m.

James B. Wilbur, President
Edwin F. Mack, V.-Pres. and Cash.
John W. Thomas, Asst. Cashier

Checking Accounts—Savings Accounts
Bonds, Real Estate Loans, Trusteeships

ROYAL TRUST CO.—BANK

Royal Insurance Bldg. 169 Jackson Blvd.

Established 1891. A State Bank

James B. Wilbur, President
Edwin F. Mack, V.-Pres. and Cash.
John W. Thomas, Asst. Cashier

Checking Accounts—Savings Accounts
Bonds, Real Estate Loans, Trusteeships

FIGURE 14

For real human interest talks, however, some of the best come from booklets issued by the Royal Trust Company-Bank, Chicago, several years ago.

I venture to quote a few:

A Savings Bank Talk

If you happen to make a good fee or commission, or obtain a raise in your wages or salary, it isn't necessary to go right out and buy a horse and buggy; or if you happen to have had a successful year in business, you needn't put all your profits into a big house. Such a course may do for a man who is willing to trust to luck, or has a rich and kind-hearted father-in-law; but you should reflect that 'one swallow does not make a spring'—there may be some late frosts.

One of the most useful and difficult lessons to learn is to always keep your balance. Nothing steadies a man better than a savings account growing by regular weekly deposits and semi-annual interest.

It doesn't pay to run into debt in order to get married or to join a golf club. For marriage a man needs at least a clean start, while the man who will go into debt for a luxury is heavily handicapped in the race for success. It's a pretty good rule to borrow money only when you can put it where you will be sure to get it out again by the time your note matures.

The man with the savings book is receiving interest and naturally feels more comfortable and independent than the man who has to pay interest.

Your neighbor may have a cottage at the seaside, and his wife may wear Parisian hats. Don't worry; these things are not going to disappear from the face of the earth. The man who advances step by step, who sticks to the main proposition that he must be further ahead at the end of each year than at the beginning —cottage or no cottage—that man will never figure among the 'has beens,' and when he gets ready to buy a cottage he'll keep it. He'll be the man whom the neighbor with the seaside cottage will ask for a loan some day, when his son makes an unexpected draft on him from Harvard.

There is something substantial about a man who has money in the bank at interest; he has a feeling of security and independence which has to be felt to be understood.

Such talks cut down to the shorthand style of writing "English" as indulged in by the modern business man, would result in a jargon of flippancy that would drive the most interested to indifference.

The matter of booklets has already received ample space under other chapters.

I have reproduced in Figures 13 and 14 some suggestions for display and a method of fighting the house-hoarding of savings.

CHAPTER XXXIII

ADVERTISING STOCKS, BONDS, MORTGAGES AND OTHER SECURITIES

A WAR-TIME STORY—JAY COOKE IN 1861-'64—DR. JAYNE'S PRESCRIPTION FOR SELLING BONDS—COOKE BECOMES LOAN AGENT—COOKE CALLED A FOOL—OBERHALTZER TELLS THE STORY—HOW FRANCE HAS OBTAINED A WEALTH OF FORTY-FIVE BILLIONS—CONSUL GENERAL MILLER'S REPORT—PEOPLE WHO BUY BONDS—HOW BOND HOUSES ADVERTISE—WHERE THEY ADVERTISE—SUGGESTIONS ON HOW TO PREPARE BOND SELLING ADVERTISEMENTS—THE PROFESSIONAL INVESTOR—THOSE WHO WANT TO INVEST SAVINGS—WHEN TO ADVERTISE BONDS—WILLIAM FOLEY, MANAGER BOND DEPARTMENT, MERCANTILE TRUST CO., ST LOUIS—MARKETING FARM MORTGAGES MERCHANTS LOAN & TRUST CO. CHICAGO—WHAT ISSAC F. MARCOSSON SAID—SELLING REALTY COMPANY MORTGAGE BONDS—THE FAILURE OF THE MARKET LETTER—WHERE POOR PRINTING FAILS—THE CIRCULAR LETTERS ISSUED BY BOND HOUSES—HOW LAWSON DOES IT—LAWSON TELLS HOW AND WHY HE ADVERTISES—THE PUBLIC SOON LEARNS MANY THINGS—WHAT IT CAN DO

THE other day while turning over some year-old numbers of the "Century Magazine" I chanced on an article by Ellis Paxson Oberholtzer, in which was told some of the story of the way that great Civil War of ours was financed by Jay Cooke, the Philadelphia banker, who was to the Federal side much that Robert Morris was to the Revolution.

The Story of Jay Cooke

It was an advertising story in its main theme, if not its purpose. Cooke was brought to recognize in those days of '61 and '64, as no banker seems to have done before or since, how much the press might and could do in the creation of a market for securities.

In the beginning he took a huge slice of the first loan, issued immediately after the battle of Bull Run, when things were bad and blue. The Government needed money and it needed money in big sums. The North was stunned by the result of that first battle. People held their breath in the chaos of doubt, uncertainty and angry fear as they groped for each other's hands in the worse than blackness of night.

Cooke acted on the advice of a Dr. Jayne, a proprietor of a patent medicine. Think of it!

The doctor saw the quickest way to get to the people was through the newspapers, which every one was reading for the news of the events that were crowding the hours.

Cooke was appointed an agent, one of one hundred and fifty, to handle the first loan.

Municipal Bonds

ARE direct obligations of states counties, cities, towns, school districts, etc., and are issued to provide funds for water works, sewers, courthouses schools and various other corporate purposes of a similar nature.

Such issues are secured by the full faith and credit of the various municipalities and are issued in conformity with laws enacted to keep municipal indebtedness within safe limits.

Money to meet principal and interest comes from taxation which must be met or property may be sold by the municipality.

Such collections are only remotely affected by periods of business depression Further, the rights of municipal bond holders have been firmly established by the courts.

Accordingly municipal bonds have come to be regarded as a premier security and preferred by many careful investors.

We offer a variety of carefully selected issues which we can recommend for permanent investment of trust and individual funds, at prices yielding

3½% to 4½%

Full particulars on application
Send for Circular F 2

N. W. HALSEY & CO.
BANKERS

NEW YORK 49 Wall Street — PHILADELPHIA Real Estate Trust Building
CHICAGO 152 Monroe Street — SAN FRANCISCO 413 Montgomery Street

Purchasing Municipal Bonds FOR Permanent Investment

WHILE the issuing of Municipal Bonds is governed by laws which operate to protect bondholders and afford them perfect safety, it is important that the same care be exercised in their purchase, as in the case of other forms of investment securities

It is well, therefore, to purchase through responsible dealers who have proper facilities for expert investigations, successful experience upon which to base their judgment, and a reputation to maintain for reliable recommendations

We buy entire issues of Municipal Bonds direct from the various Municipalities, and distribute to institutional and individual investors at net prices

At present we own and offer a variety of Municipal Bonds from Massachusetts to California, yielding

3¼ to 4¼ per cent.

Send for Circular C 3

Government, Municipal, Railroad and Public Utility Bonds, bought, sold and appraised

N. W. HALSEY & CO.
BANKERS

NEW YORK 49 Wall Street — PHILADELPHIA Real Estate Trust Building
CHICAGO 152 Monroe Street — SAN FRANCISCO 413 Montgomery Street

Safety OF Seasoned Railroad Bonds

SEASONED Railroad Bonds are mortgage obligations of well developed railroad properties which have demonstrated, over a period of years, a steady earning power sufficient to pay all operating and interest charges, dividends on stock, and leave a substantial surplus.

Such bonds are secured by pledge of valuable property, often impossible of replacement, the market value of which safeguards the investor against loss of principal.

So many investors hold seasoned railroad bonds that a broad market has been established, assuring a ready sale at any time

We own and offer seasoned railroad bonds which fully measure up to the requirements of discriminating investors, to yield from

3¾ to 4¾%

Send for circular "G."

Government, Municipal, Railroad and Public Utility Bonds, bought, sold and appraised

N. W. HALSEY & CO.
BANKERS

NEW YORK 49 Wall Street — PHILADELPHIA Real Estate Trust Building
CHICAGO 152 Monroe Street — SAN FRANCISCO 413 Montgomery Street

Convertibility OF Seasoned Railroad Bonds

BONDS of this class are secured by mortgage on valuable property, the intrinsic value of which safeguards investors against loss of principal.

Many of the issues, by legislative enactment of different States, have been made a legal investment for Savings Bank and Trust funds.

Being in negotiable form and representing so great a measure of security, such bonds are readily loaned upon by financial institutions.

So many investors, both individual and institutional, own seasoned Railroad Bonds that a broad market has been established, in Europe as well as this country

The bonds are immediately available as collateral or convertible into cash—even in times of panic.

We own and offer seasoned railroad bonds which we can recommend for their safety and convertibility—to yield from

3¾ to 4¾%

Send for circular "C."

Government, Municipal, Railroad and Public Utility Bonds bought, sold and appraised.

N. W. HALSEY & CO.
BANKERS

NEW YORK 49 Wall Street — PHILADELPHIA Real Estate Trust Building
CHICAGO 152 Monroe Street — SAN FRANCISCO 413 Montgomery Street

DESCRIPTIVE PRICE LISTS OF
High Grade Bonds

and analytical financial literature prepared by our experts will be sent occasionally to discriminating investors *absolutely gratis* as a means of familiarizing them with the investment facilities offered our clients.

If you have $1 000 or more to invest, or expect to have within a few months, these quotations and practical comments direct from the financial center will be found useful.

Simply send your name and address and mention this advertisement.

July 1st circular on request.

N. W. HALSEY & CO.
BANKERS

NEW YORK 49 Wall Street — PHILADELPHIA Real Estate Trust Building
CHICAGO 152 Monroe Street — SAN FRANCISCO Franklin & O'Farrell Sts.

SHORT TIME OBLIGATIONS

Of well established dividend earning Railroads and Public Service Corporations are safe—especially where the obligations have valuable property, such as new equipment, pledged for payment. Such securities are unusually attractive at prevailing rates.

Investors seeking safe, profitable investment of surplus funds for from one to five years are earnestly invited to address our nearest office for particulars of short time obligations which we own and recommend, to yield from

5% to 6%

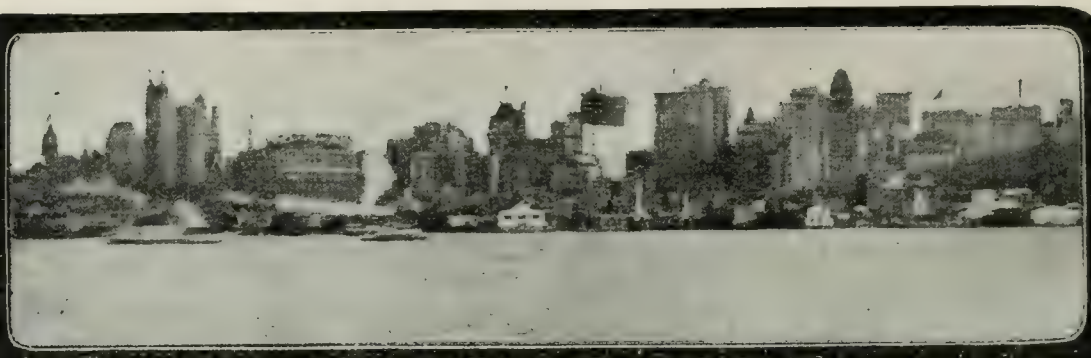
Ask for statistical letter F S

N. W. HALSEY & CO.
BANKERS

NEW YORK 49 Wall Street — PHILADELPHIA 1429 Chestnut St.
CHICAGO 152 Monroe Street — SAN FRANCISCO 413 Montgomery Street

FIGURE 1

Some educational "bond ads" well worded and displayed.



SIX BILLION DOLLARS

is the assessed valuation of property in New York City. That property is the basis for the City's credit. The bonds of the Municipality of New York are a premier security and are recommended unhesitatingly to investors and trustees. These securities are issued in denominations as small as $10, and as large as $1,000,000. If you desire to invest any sum between these extremes the bonds should receive your consideration.

We have just issued, and will send to anyone applying for it, an illustrated booklet which contains a comprehensive presentation of the financial condition of New York City and statistics relating to the City's securities.

Should information be desired concerning any other type of investment bond, the National City Bank will freely furnish its services.

NATIONAL CITY BANK
52 Wall Street, New York

Capital, $25,000,000 Surplus, $20,000,000

THE NATIONAL CITY BANK OF NEW YORK

FIGURE 2

An excellent and attractive advertisement, with a few facts calculated to obtain the interest of the investor.

We own and offer subject to sale

$250,000

Tri-City Railway & Light Company

Davenport, Iowa, Rock Island, Moline and East Moline, Illinois

Collateral Trust First Lien Sinking Fund 5% Gold Bonds

Dated April 1st, 1906. Interest April and October 1st. Due April 1st, 1923. Callable at 105 and interest on any interest date. New York Trust Co., Trustee, Registrar and Transfer Agent. Coupon Bonds $1,000. Registered, $1,000, $5,000, $10,000. Interchangeable. Application will be made to list on New York Stock Exchange. Listed on St. Louis Exchange.

The Company owns and operates under the experienced management of Messrs. J. G. White & Co., Engineers, all the Gas and Electric Lighting and Street Railway Systems in the contiguous cities above mentioned, serving a population of 100,000, which extends in an almost unbroken line for 14 miles. It is the largest center of population between Chicago, St. Louis, Kansas City and St. Paul.

Earnings: March 1st to Sept. 1st	1906	1905	
Net Earnings	$314,250	$257,585	Increase 22%
Bond Interest	145,424	This increase obtained in four months of unified management	
Balance	$168,826		

Security: First mortgage upon all present and future property of the Company, including the entire capital stocks and all the underlying bonds (except a relatively small amount rapidly maturing) of the six constituent Companies, each of which had a successful record when operated independently. The sinking fund obligates the retirement of $2,250,000 bonds in increasing annual installments. Cash cost of the mortgaged property was about $2,500,000 in excess of bonded debt. Franchises, with one minor exception, extend beyond the life of the bonds.

Having sold, with our associates, over $6,000,000 of the above issue, we offer this block of escrow bonds issued for new construction, at—

99 and Interest Yielding 5.10%

Send for Descriptive Circular "K" with Map

N. W. HALSEY & COMPANY

BANKERS

NEW YORK	PHILADELPHIA	CHICAGO	SAN FRANCISCO
49 Wall Street	Real Est. Trust Bldg.	152 Monroe St.	413 Montgomery St.

FIGURE 3

Banker and Investor

WE HAVE prepared a booklet bearing the above title and referring briefly to the history, methods and policy of this house. For many years we have made a specialty of selling high grade bonds to individuals, and this booklet may interest those who are at this time desirous of taking advantage of present market conditions to purchase bonds for investment at what we believe to be unusually attractive prices.

We own a carefully selected list of more than 100 issues of municipal, railroad and corporation bonds and can furnish investors with securities of practically any desired maturity at prices to yield from

4 to 6½ per cent

Write for circular offerings and booklet "Banker and Investor."

N. W. HARRIS & COMPANY

BANKERS

56 William Street, New York — 35 Federal Street, Boston

BOND DEPARTMENT

HARRIS TRUST & SAVINGS BANK

204 Dearborn Street, Chicago

First Mortgage Railroad Bonds

Entire Safety — **High Yield**

Railroad bonds entirely secure as to both principal and interest may to-day be purchased at prices affording the investor a rate of income hitherto derived only from securities of a speculative nature.

While the mortgage securing the bonds usually limits the issuance to actual cost of construction or improvement authorized, the tangible security behind the First Mortgage Bonds of many railroads is from two to five times the amount of bonds issued, the additional improvement funds having been obtained from earnings or through the sale of stock or other securities.

Selected First Mortgage Railroad Bonds are the safest form of investment commensurate with reasonable interest returns.

Prices have advanced materially during the past two months.

Write us for descriptive circulars or concerning any investments you contemplate making.

FISK & ROBINSON

BANKERS

135 Adams St., Chicago — 35 Cedar Street, New York — 28 State St., Boston

FIGURE 4

He took his share and at once engaged space in the Philadelphia and New York papers.

Every day he published lists of the subscribers to the loan. The list grew and grew, until he had marketed $5,000,000 of the new government notes, one-fourth as much as the other 149 agents combined.

Pennywise Policy

When he counted expenses he had put $10,000 into advertising, all of which he had paid out of his own pocket, for the Government didn't care to thus spend money in the hour of its necessity—much the same as some advertisers do now—advertising only when times are good and cutting it out when they need it the most.

Subsequently Cooke asked to be appointed general loan agent for the Government, guaranteeing to sell the bonds of a $500,000,000 issue at par, asking only the market commission.

After the Treasury had failed in its attempt to do without him, Cooke's offer was accepted.

Cooke then planned a nation-wide campaign through the newspapers.

He knew that there were more dollars in the hands of the people than were in all the banks and he went after the hidden hoards.

Cooke, so the story goes, in his heart did not believe this method was either dignified or "good banking," because he had all a banker's antipathy for publicity, but necessity sometimes makes great men of the most skeptical. Dr. Jayne's prescription had proven the remedy for the disease and after Cooke had convinced himself that there was no other way, he adopted the layman's advice, being big enough to accept experience in place of prejudice.

The advertising told the people what the country needed in the future, if the nation stood back of the Government and gave it the money it must have.

All the good financial wiseacres of that day, bankers and brokers, threw up their collective hands in horror, and Cooke was damned wherever banking was done, as a traitor, a mountebank and a fool.

Mr. Oberholtzer says in his article:

Jay Cooke—First Financial Advertiser

Jay Cooke went at once to the newspapers. With them he would have risked the issue of almost any contest. No man, not even Napoleon, ever had so implicit a faith in the power of the press. It was no thing of mystery to him from the day he invited a poor newspaper man to dinner at the board daily spread in his Third

The National Light, Heat and Power Co. New York

Controls Gas or Electric Companies or both operating in the following cities:

Hoosick Falls, N. Y.

Bennington, Vt.

Brattleboro, Vt.
Dover, N. H.
Rochester, N. H.

Charleston, Ill.

Paris, Ill.

Jerseyville, Ill.

Pana, Ill.

Robinson, Ill.

Taylorville, Ill.

Lexington, Mo.

Marshall, Mo.

Alexandria, Ind.
Bloomington, Ind.
Columbus, Ind.
Fairmount, Ind.

and

other cities served by extensions

Sound Investments

On January 5th, 1908, the NATIONAL LIGHT, HEAT AND POWER COMPANY paid to its Preferred Stockholders its regular quarterly dividend of 1¼%. The dividend was paid out of the surplus earnings of October, November and December, 1907, which notwithstanding general commercial and financial conditions were the largest in the history of the company.

If you want to invest $500 or $50,000 in Bonds where Principal will be absolutely secure and Income promptly and regularly paid, if present rates of interest, assured for 20 or 30 years, and opportunity for participation in surplus earnings interests you, send for Special Circular 16 B in which we offer several Bond Issues of the Subsidiary Companies of the NATIONAL LIGHT, HEAT AND POWER COMPANY. These Bonds are conservatively issued and strongly secured on the property of established, live, growing companies, controlled and operated by the NATIONAL CO. These bonds are also GUARANTEED both as to principal and interest by the NATIONAL COMPANY, and underlie $3,000,000.00 Capital Stock.

Our offering, made to comply with present market conditions affords opportunity for participation in surplus earnings. Thus with principal secured the investor has opportunity for a constant increase of income. Full information furnished on request.

A. H. Bickmore & Co.
BANKERS
30 Pine St. New York

FIGURE 5

GAS BONDS

$1,000 and $500 each, paying

5.3% to 7%

We do not know of an investor who has ever lost any money in an investment such as we are offering.

Write for Circular giving full particulars. Free of Charge.

H. T. HOLTZ & CO.

Public Securities

171 La Salle Street, Chicago

WE invite interviews and correspondence with Banks, Trust Companies, Estates and Individuals desiring to invest surplus funds in High Class Bonds and Guaranteed Stocks or wishing to reduce their holdings of securities.

Accurate Quotations furnished.

Our descriptive circular of carefully selected investments, paying 4 to 5½ per cent, deliverable at once, mailed on request.

Marketable securities taken in exchange.

We solicit your business.

Plympton, Gardiner & Co.

BANKERS

Members New York Stock Exchange.
27 William St., cor. Exchange Pl. NEW YORK.
232 LaSalle Street, CHICAGO. 50 Congress Street, BOSTON.

Investments

to yield

6%

We offer

First Mortgage Guaranteed Water Power Bonds

Secured upon property costing more than 25% above Bond Issue. Future earnings assured by contracts.

Write for Circular 60 A.

We are prepared, upon request, to furnish information concerning your present holdings of securities, or will assist in the selection of investments.

A. B. Leach & Co.

Bankers

NEW YORK CHICAGO BOSTON PHILADELPHIA

THERE ARE MANY HIGH-CLASS SECURITIES LISTED ON THE NEW YORK STOCK EXCHANGE SELLING BELOW VALUE, WHICH, IF BOUGHT *OUTRIGHT* NOW, WOULD YIELD ATTRACTIVE INCOME WHILE CARRIED, AND SHOULD EVENTUALLY ADVANCE MATERIALLY IN PRICE. WE SHALL BE GLAD TO CORRESPOND WITH YOU ON THE SUBJECT.

Send for Weekly Financial Review

J. S. BACHE & CO.

(Members New York Stock Exchange)

BANKERS, 42 BROADWAY, NEW YORK

FIGURE 6

A SUGGESTION FOR CONSERVATIVE INVESTORS

In view of the enormous offerings of short time, high rate notes by various corporations, it is well for those who have the investment of trust funds to consider whether in buying these notes they are really making the best investment of their money.

The reason so many of the large corporations are issuing these notes is because they expect at their maturity to be able to place the bonds of the corporation at a very much lower rate of interest. If their reasoning is correct the purchasers of these notes will have to reinvest their money when the notes expire at a proportionately lower rate. The best way to illustrate this is by a concrete example:

We are offering at the present time the 4% bonds of ALLEGHENY COUNTY, PENNSYLVANIA, a direct municipal obligation of a county with an assessed valuation of $768,002,045, and a net debt of only $6,799,460, having a population by the census of 775,058 and a present estimated population of 900,000. The total debt is less than 1% of the assessed valuation. These bonds have thirty years to run, and we are offering them on a 3.85% basis. The net income on $100,000 of these bonds in the thirty years they will be outstanding, without taking into account compound interest, will be $115,500 If the same amount of money is invested today in a 3-year 5% note, the net income during the three years will be $15,000. If, at the end of that period the money be invested in this same bond on a 3½% income basis having 27 years to run, the net income would be $94,500. Add this to the 15,000 of income obtained during the first three years and you will get a total of $109,500. You will, therefore, see that you will have made $6,000 more during the thirty-year period by buying the long time bond at the present time. We are, of course, supposing that three years from now ALLEGHENY COUNTY bonds will be selling on a 3½% basis, which is a fair assumption, inasmuch as in the past seven years they sold as follows: 1900, 3.20% basis; 1901, 3.12% basis; 1903, 3.60% basis; 1904, 3.63-3.75% basis; 1905, 3.60% basis; 1906, 3.63-3.75% basis.

There are, of course, many other good municipal bonds which can be bought today to net nearly as high as 4%, such as the city of New York 50-year 4's and railroad bonds which could be bought to net considerably more than that, so the illustration might be made a great deal more striking. We have, however, chosen a very high-grade municipal bond to illustrate our point, but this illustration will apply at the present time to practically every issue of high-grade, long-time bonds now in the market of either a municipal or railroad character.

Send for Our Feb. List of Investment Bonds

E. H. ROLLINS & SONS

238 LA SALLE STREET, CHICAGO

BOSTON DENVER SAN FRANCISCO

FIGURE 7

street (Philadelphia) office. He went with his advertisements directly to the proprietor, whether Republican, Democrat, or Copperhead, and for editorials and reading notices to the poor, hired scribes. With the exception of the World, the Journal of Commerce, and the Express in New York City, and some Vallandingham papers in Ohio, he was soon in tolerably complete control of the newspaper press in the loyal States. In the remotest villages they all sang a common tune, which was inspired from Jay Cooke's office. They published and republished the material with which he supplied them. Thus hope was put into faint writers. Copperhead and "Secesh" editors were made afraid, and in many instances made as harmless as doves. The people were trained to optimism instead of the despairingly cynical views to which they were often prone to surrender themselves if left without inspiring leadership, and the loan and the Union went forward triumphantly.

One Million Dollar Sales Each Day

It "went forward triumphantly" to the tune of $1,000,000 a day throughout the entire period of the Civil War, and in several cases the bonds were actually sold at a premium.

Isn't it a wonder that in the face of this superlative example of what the press can do in spite of war, that bankers have not, before this, adopted a different attitude towards the question of advertising?

The change of heart, however, is going on, and the bond and investment advertisement is here, multiplying so rapidly as to attract attention by their number rather than their scarcity.

The nation is gradually learning the lessons of thrift and economy, and as we do learn this the question of investments becomes more and more one for the layman as well as for the professional financial man and capitalist.

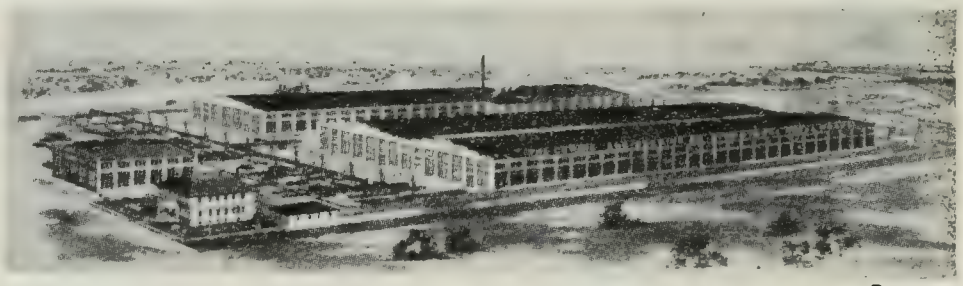
We must turn our minds and attention to the question of guiding these savings into the channels from which commerce can easily obtain them for new uses.

During the past five years the French have called attention to their power over the money supply of the world.

We Go to France

England had to go to France for the fund to prosecute the Boer War. Russia has borrowed millions on millions for internal improvements, and had to look to France for the money to conduct the Russo-Japanese conflict; while Germany is an enormous borrower in Paris. Japan has placed nearly one-half her loans in Paris, while we received immense gold shipments from the French bankers during our money stringencies of 1906 and 1907-'08.

How is it possible for a nation of forty millions of people to obtain such control of the gold supply and obtain a wealth of over forty-five billions of dollars?



YOU CAN OWN PART OF THIS PLANT

7% 7%

WHERE SKYSCRAPERS, BRIDGES AND MODERN MANUFACTURING PLANTS ARE PUT TOGETHER—

PROFITABLE 7% INVESTMENT
PROGRESSIVE 7% INDUSTRIES

THE COWING ENGINEERING COMPANY, an Ohio Corporation, Capitalized at $1,250,000, offers $500,000 of its preferred seven per cent stock for sale.

This Company owns twelve acres of land in Collinwood, a suburb of Cleveland, and is completing the erection of a plant, having an annual capacity of 36,000 tons.

Basing the profits on a low average—lower than that earned by this Company last year—the annual net profits on this product would be $180,000. The total fixed charges for interest on the $500,000 Preferred Stock at 7% will be $35,000 annually, leaving $145,000 for distribution to holders of Common Stock—this Common Stock will be alloted to purchasers of the Preferred in proportion of one share Common Stock to two Preferred.

THERE WILL BE NEITHER BONDS NOR MORTGAGE ON THIS PLANT

As we wish to reach the moderate investor, we will gladly send FACTS and FIGURES upon request

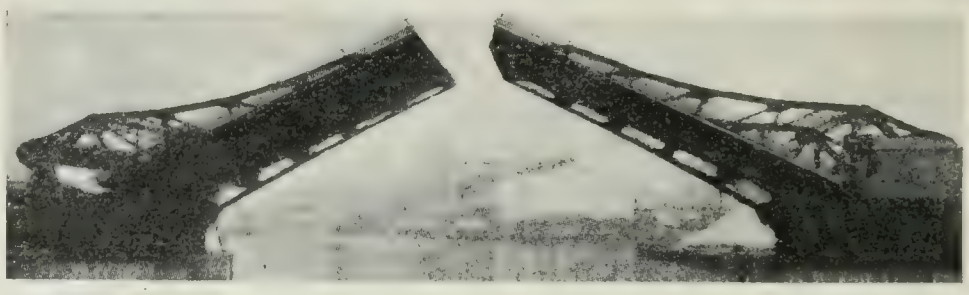
THE COWING ENGINEERING COMPANY
424 CITIZENS BUILDING, CLEVELAND

We offer and recommend this stock to investors looking for a safe, stable investment

P. W. DITTO & CO., Investment Brokers
201 CITIZENS BUILDING, CLEVELAND

THE DIME SAVINGS & BANKING CO., Cleveland, Transfer Agent

7% 7%



THE COWING LIFT BRIDGE.

FIGURE 8

IDLE MONEY

Admitting that the tide is turned in the investment market—that millions of dollars are seeking investment in good securities—that idle money earning nothing in the past six months is being put to work—that good securities have not been available at present prices for fifteen years—

Remember One Thing

The present condition is extraordinary. Investors who have waited for this opportunity should be sure they are getting every advantage the situation affords.

We counsel conservatism to this extent. You don't have to buy new issues or large issues while there are odds and ends and small lots of exceptional securities available in the right hands. Don't buy until you know the best your money will do.

As an old and conservative bond-house, handling only non-speculative offerings, we have done nothing in the past six months but take over for cash small lots of attractive securities, the sacrifice of which was forced by the money stringency.

These embrace first-mortgage bonds of Water, Electric Light, Gas, Railway and Industrial Companies, at prices to realize 5½ to 6½% per annum for 25 years.

Also Railway and Public-Utility Co. short-term notes, realizing 8 to 10%.

These and many others of special interest to men and women who want a sound investment for purpose of income.

These bonds are now at the lowest prices that will prevail for many years to come. We make this statement based on an experience of a lifetime in finance without fear of future contradiction.

Write to us at once stating amount for which you seek investment and if you are partial to any special class of securities, and a list will be sent you.

Or if you prefer, merely write your name and address on margin of this announcement and mail to us at once.

FIGURE 9

AN ABSOLUTELY SAFE NON-SPECULATIVE INVESTMENT PAYING 6%

In offering for sale a limited amount of the capital stock of The Forest City Railway Co. (Cleveland's 3c fare line), we afford yon the cleanest, most favorable investment ever placed upon the market.

This stock is guaranteed to pay 6% dividends—it cannot pay less—and its value will never be below par ($100.00 per share) because

WE AGREE TO BUY IT BACK FROM YOU AT PAR AT ANY TIME YOU DESIRE TO SELL.

It is better than a savings bank because it pays 50% more interest and you can get your money, with accrued dividends added, whenever you want it, without being subjected to a 60 day withdrawal notice or other hindrance.

The Company cannot fail because actual, intrinsic value is behind it and because it is backed and fostered by the good faith of the people of Cleveland.

You would not hesitate for a moment to buy Cleveland City Bonds, would you? Mayor Tom L. Johnson whose unswerving honesty and good judgment the people of the country have learned to respect, says that FOREST CITY RAILWAY CO. stock is as safe as a City Bond.

TOM L. JOHNSON'S STATEMENT

TO THE PEOPLE: *In my judgment, the stock of The Forest City Railway Company is as safe an investment as a city bond, the only difference being that a bond of the city of Cleveland draws 4% and Forest City Railway stock draws 6%. The 3c fare railway has been financed without water or bonds, and it is to this competing line and to the people who had the courage to endorse it that the city owes its release from the grasp of private monopoly in street railways. I hope the new offer of stock will be taken speedily, that further construction and equipment may be pushed forward as rapidly as possible. The people have spoken in no uncertain terms and the command is* ***"Go Ahead."***

TOM L. JOHNSON.

We sell and buy the stock at par ($100.00 per share), without brokerage or other charge. You can buy one share or as many as you please and pay for it when purchased or on monthly installments. Write now, today, for map and descriptive booklet, showing proposed lines and those now in operation. Make checks payable to The Municipal Traction Co. or The Depositors Savings and Trust Co. Address, A. B. duPONT, Pres.,

THE MUNICIPAL TRACTION COMPANY

454 SUPERIOR BUILDING, CLEVELAND, O.

MAIL THIS COUPON TO

A. B. duPont, Pres., THE MUNICIPAL TRACTION COMPANY
454 SUPERIOR BLDG., CLEVELAND, OHIO

Please send Map and Booklet to

Name .....

Address .....

FIGURE 9

Gas and Electric Investments

Netting 5 to 6½ per Cent.

Statistics show an increase in gas consumption in the United States of nearly 100 per cent. in the last ten years and less than 1 per cent. of such companies are in default on their interest. No class of securities can surpass this record.

Well managed electric companies show equally satisfactory results.

We are particularly fitted to advise in regard to investments of this character, as we have specialized in this field for many years and are personally interested in the management of the companies whose securities we offer.

On request we will gladly send a list of FIRST MORTGAGE UNDERLYING BONDS and GUARANTEED PREFERRED STOCKS of well established lighting properties having large surplus earnings.

BERTRON, STORRS & GRISCOM

BANKERS

NEW YORK, 42 Wall St. PHILADELPHIA, 225 Land Title Bldg.

An Investor's Safeguard

is A Reliable Banking House

The average investor has not the time, experience or facilities to pass judgment on the underlying conditions of a bond issue.

Our 31 years' experience in buying investment securities is at your service.

Our offices in Boston, Chicago, Denver and San Francisco keep us in close touch with all parts of the country

We have a new issue of bonds—some of them of **$100 each paying 6%.** [Circular No. 842 A will give you full particulars.]

Careful Investors will do well to write for our latest ten page circular describing *fifty issues of Municipal, Railroad and Corporation Bonds.*

Send for Circular No. 846 A.

Refer to any Bank or Trust Company

E. H. ROLLINS & SONS,

21 Milk Street, Boston.

ESTABLISHED 1876.

CHICAGO. DENVER. SAN FRANCISCO.

Public Securities

Municipal Bonds
Gas Bonds
Electric Bonds

A Safe Place

for Investments of

$500

and upwards

At present low prices they will yield you

4½ to 6%

on your investment.

Correspondence or Personal Interview Solicited.

We shall be pleased to send you, free of charge, our Booklet entitled

"Why the Small Investor Loses."

H. T. HOLTZ & CO.

INCORPORATED.

PAID IN CAPITAL $100,000.00

620 New York Life Building, CHICAGO.

FIGURE 10

From a report from our consul at Rheims, Mr. J. Martin Miller, I quote a few things that may be to the point:

More French Lessons

No savings account in the Government savings banks is allowed to exceed 1,500 francs. This does not apply however, to the Caisse Nationale des Retraites pour la Vieillesse. When an account has reached that sum the depositor is given notice of the fact and is informed that the money will be invested for him in Government rentes, non-redeemable bonds bearing 3 per cent. interest. If the depositor does not respond or withdraw his money within three months after the date of this notice, the manager of the bank will invest the money in Government rentes and hold the bond subject to the disposal of the depositor.

While this bond is not redeemable by the Government, it can be disposed of at any time to any bank for practically what it cost, the market value varying but little. After the 1,500 francs are thus disposed of the depositor must open a new savings account if he desires to continue. This method of investment is so popular with the farmers and peasant class that 22,221,660,664 francs or $4,288,780,504 in rentes have been bought, principally by the working people of France.

There is another kind of Government bond, l'amortissable, also bearing 3 per cent. interest, and is redeemable by annuities, but the masses of the people do not understand it and it is not popular. Its lack of favor is indicated by the fact that but 3,712,260,500 francs, or $716,466,276 of this class of bonds have been sold, or a total of both kinds of $5,005,246,780. The total debt of France amounted to $5,878,-822,695, the figures being for 1905. So it will be seen that the bulk of the debt of France is represented in these bonds, held principally by the industrial classes.

By this system we find—

1 That the people are taught thrift and simple domestic economy.

2 That there is money in the hands of the government at all times, because the people are not tempted to hold it out of circulation by placing it in secret hiding places for "safe keeping."

I would call the attention of the banker reader to the stress laid on the "education of the children" in Chapter XXXII, and to the fact that this condition of the French financial market, which Consul Miller describes, has not arisen of itself.

Under a paternal government, such as that of France, the savings can be handled in this way—in ours, the bankers must draw the hidden hoards from their hiding places by the force of independent, unofficial and unsubsidized education.

It is this economic problem of hoarded wealth with which advertising has chiefly to do, and for which today, as in 1861-'65, it offers the most effective panacea.

The Bond House's Problems

The bond house or the bond department has two problems: (a) To get to the investor who has the money; then, (b) to create a desire for the particular bonds it has for sale.

It Is Time To Buy Bonds

Good bonds now offer to investors the opportunity of a life-time, even though it is practically impossible to buy at the extreme low levels.

Allowing for this fact, and based upon our many years' experience as Investment Bankers, it is our opinion that now is the time to buy bonds, provided purchasers are restricted to the issues of properties which have always been and still are under the supervision and management of conservative men.

We shall be glad to send you a copy of our Special Bond Circular entitled "Investment Opportunities," in which we review the existing situation in the financial and business worlds, and upon which we base a careful judgment of the probable future course of the bond market.

This circular contains tables showing the recovery in the prices of bonds six months and one year after the panics of 1884, 1893 and 1903, and the high prices at which 35 well-known railroad bonds sold in 1907 and 1906, and the low prices of 1907. A copy of this circular should be in the hands of every person with surplus money.

Write for Bond Circular No. 33

Spencer Trask & Co.

Investment Bankers,

William and Pine Streets, New York.

Members New York Stock Exchange.

FIGURE 11

The Rush To Buy Bonds

Admitting that the tide is turned in the investment market—that millions of dollars are seeking investment in good securities—that idle money earning nothing in the past six months is being put to work—that good securities have not been available at present prices for fifteen years—

Remember One Thing

The present condition is extraordinary. Investors who have waited for this opportunity should be sure they are getting every advantage the situation affords.

We counsel conservatism to this extent. You don't have to buy new issues or large issues while there are odds and ends and small lots of exceptional securities available in the right hands. Don't buy until you know the best your money will do.

As an old and conservative bond-house, handling only non-speculative offerings, we have done nothing in the past six months but take over for cash small lots of attractive securities, the sacrifice of which was forced by the money stringency.

These embrace first-mortgage bonds of Water, Electric Light, Gas, Railway and Industrial Companies, at prices to realize 5½ to 6½ per cent per annum for 25 years.

Also Railway and Public Utility Co., short-term notes, realizing 8 to 10 per cent.

These and many others of special interest to men and women who want a sound investment for purpose of income.

These bonds are now at the lowest prices that will prevail for many years to come. We make this statement based on an experience of a lifetime in finance without fear of future contradiction.

Write to us at once stating amount for which you seek investment and if you are partial to any special class of security, and a list will be sent you.

Or if you prefer, merely write your name and address on margin of this announcement and mail to us at once.

FIGURE 12

REAL ESTATE BONDS

Our experience, extending over a long period of years and covering many millions of dollars, has convinced us that first mortgage real estate bonds, conservatively issued, and secured by properties honestly valued, are among the soundest and most desirable of all classes of investment securities. ***There has never been a single dollar of loss on bonds of this character marketed by us.***

As a class, these bonds present the following excellent characteristics:

First. The investment is the ***simplest*** of all forms of securities, involving no complex questions of legality of issue, priority of lien, franchises, legislation, public opinion, etc., etc.

Second. The security is definite, tangible, income-producing property, with a value that is readily ascertainable, and always open to the personal inspection of the bondholder.

Third. The income for the protection of interest and principle is definitely known, uniformly maintained, and is not subject to manufacturing or mercantile risks.

Fourth. In every case these bonds are issued under our serial plan, whereby the debt is steadily reduced by annual or semi-annual payments on account of principal, and the margin of security correspondingly increased.

Fifth Behind these bonds is our judgment as to the value and advisability of Chicago real estate, which is based on more than forty years of continuous and successful experience in this field.

We are now offering an issue of bonds, payable serially in from one to five years, and secured by improved, income-producing real estate in the business center of the City of Chicago. The property is leased to a responsible tenant for ten years, and the rentals from this lease, which are assigned to and collected by the Trustee for the additional protection of the bondholders, are ***alone*** almost sufficient to pay off the entire debt, both principal and interest.

As these bonds will net the investor 6%, they constitute an unusual combination of absolute security and high interest return.

Send for circular No. 610 L, containing full particulars.

Peabody, Houghteling & Co.

(ESTABLISHED 1865)

181 LA SALLE STREET

CHICAGO

FIGURE 13

Previous Chapters

The previous chapters on "Reaching Your People" and "Mailing Lists," contain principles and methods of the greatest import to the bond house starting a campaign of advertising.

That bonds are now being issued in small denominations is directly due to a merchant's idea of popularizing the bond as an investment for the small investor.

The people who can and will buy bonds in small denominations are the savers from all walks of life—lawyers, doctors, ministers of the gospel, school teachers, college professors, salaried men generally, farmers and that large section of the people grouped under the general title of the "well-to-do classes."

The bonds of a speculative character, the bonds that are interesting to the market-wise business men, are handled in a different way. Their value is governed by Wall Street conditions.

Classes of Investors

The first class of investors have certain salient and defined characteristics and when a bond issue has been handed to that class and absorbed, the result is a greater stability of price for it than the bond that has been sold almost entirely to the market speculator.

This condition makes the outside public an attractive buyer to the bond dealer and to the corporation issuing bonds.

While it is true that any listed bond issue is constantly fluctuating in price, and it is true that such fluctuations always have a greater or less influence in bringing into the speculative market bonds that have been sold out of the market, yet the non-speculative investing public offers the most stable support to the bonds it originally absorbs.

One of the most consistent bond advertisers has been the banking firm of N. W. Halsey & Co., New York and Chicago. They have been pounding away at the bond proposition for some months and have developed a definite style in appearance and a characteristic approach that marks all of their advertising.

Some Samples

Their advertising has appeared in a considerable list of the best publications and has been developed along lines indicating that they have become serious advertisers; i. e., for results, and are going after these results in a business-like fashion.

They have used such publications as "Scribner's," "Harper's," "The Outlook," "McClure's," "System," "World's Work," "Saturday Evening Post" and "Success."

"Corn Belt" Farm Mortgages

We have for sale First Mortgages secured by highly improved and productive farms in the "Corn Belt" of Illinois, Iowa and Southern Minnesota, which is conceded to be the safest farm loan section in the United States.

Our maximum loans do not exceed one half of the cash value of the land, without regard to the improvements. The security is examined by our own representatives and title approved by our own attorneys. This bank collects the principal and interest without charge, and invite correspondence with banks and investors regarding these loans.

Our booklet, "Farm Mortgages Are Safe Investments." will be sent upon request.

Fifty Years of Safe Banking

The Merchants' Loan and Trust Company

Capital and Surplus, $6,500,000

135 Adams Street Chicago

FIGURE 14

sections. We confine our business strictly to the great Corn Belt, including the States of Illinois, Iowa and Southern Minnesota. The Corn Belt is known as the richest agricultural district in the United States, producing more wealth from diversified agricultural products than any other similar section in the world. The general average of farm land values is much higher than any other section of the country. Its geographical location is of incalculable value, having railroad and water transportation facilities that are unequaled. The map will show that the Corn Belt is in the direct path of the old established routes of commerce from the West to the Atlantic, and it also has every commercial advantage obtained by the new paths of commerce to the Gulf ports. It is the great central point for the distribution of food products in the United States.

FARMERS FORESEE ADVANCE IN LAND VALUES

The farmer uses money in his business precisely as does the merchant, and his mortgage is no more to be considered as an evidence of lack of prosperity than the note of the merchant given in exchange for goods.

Farmers in the Corn Belt have been able to make legitimate profits during the past ten years, on account of the steady rise in land values. From his income he makes a partial payment on lands which he wishes to acquire and gives a mortgage to pay for the balance. This has been his savings bank, and it cannot be denied by those familiar with the conditions, that it is a good one. Fully ninety per cent of the loans placed in the Corn Belt are the result of the acquirement of land.

HISTORICAL FACTS VERSUS FICTION

From 1880 to 1890, as a natural result of hitherto satisfactory experience in farm mortgage investments, there was sent into the undeveloped arid West an immense amount of money to loan upon farm lands. The supply was in excess of the actual legitimate demand and the investors were deluded by promised returns of eight, ten and twelve per cent interest which the market in such localities afforded.

Where extraordinarily high rates of interest were obtained, the question of land value and safety of the loan was left largely to the statement of irresponsible brokers. This caused a boom in the price of land in these particular localities, and, for a time, all went well; when the reaction came the results were disastrous.

FIGURE 15

List 15.

ESTABLISHED 1857

The Merchants' Loan and Trust Company

OLDEST BANK IN CHICAGO

CAPITAL AND SURPLUS, $6,500,000

FARM LOAN DEPARTMENT
F. W. THOMPSON, Manager

We own and offer

$1,500,000

FIRST MORTGAGE LOANS

On Improved Farms in Illinois, Iowa and Southern Minnesota

TERRITORY—We confine our operations to the "Corn Belt" in Illinois, Iowa and Southern Minnesota. This comprises what is generally conceded to be the safest farm loan section in the United States.

SECURITY—Our strict methods of scrutiny insure our obtaining only the best mortgages in this section. Our maximum loans do not exceed one-half of the appraised value of the land alone, without regard to the improvements.. The security is examined by our own representatives and the titles approved by our own attorneys.

INTEREST—At the present time we are offering these loans to net the uniform rate of

4½ Per Cent Per Annum

The mortgages bear 5% and are sold at par and interest without premium, this Bank taking charge of the collection of interest and retaining its proportion, ½ of 1%, as the coupons mature.

Our own funds are invested in these mortgages.

This list shows only a small part of our farm loan investments and if there are no loans in the amounts desired, we will prepare a special list to meet your requirements.

Detailed descriptions of a few of our loans will be found on the following pages. Loan can be selected now and held for future delivery.

FIGURE 16

The advertisements (Figure 1), of which I reprint several, are interesting and educational—two qualities essential to success in bond marketing by advertising.

National City Bank Advertisers

No less a bank than the National City Bank of New York carried through a campaign for an issue of the New York City municipal bonds. One of the advertisements is shown on another page (Figure 2) and is offered as one of the cleanest and most effective, in striking contrast to the mediocre bond publicity that has appeared.

The advertisement of N. W. Halsey & Co. (Figure 3), describing a bond issue of an Iowa Railway and Light company, puts the cart before the horse for an advertisement intended to appeal to the outside public, but was acceptable to those who knew the game.

I believe that the outsiders are more interested in the prospective income than they are in the amount of bonds issued. I believe that there are two entirely different methods to be used, therefore, in appealing to the different classes of possible buyers.

The Outsider Wants Facts and Figures

The outsider wants talk directed to income and stability and character; the insider wants to know how much and what the facts and figures are, and you may cut out a large part of the "human interest," because, as a professional investor and trafficker *he* is interested in the business side of the bonded business.

On the one hand we have Figures 4, 5 and 6, appealing more to the professional investor, and on the other hand Figures 7, 8 and 9, appealing more to the outsider.

The advertisements shown on Figure 10 are commonplace attempts to train with the more expert hands guiding such campaigns as already have been mentioned, and show what should not be done in the preparation and display of copy.

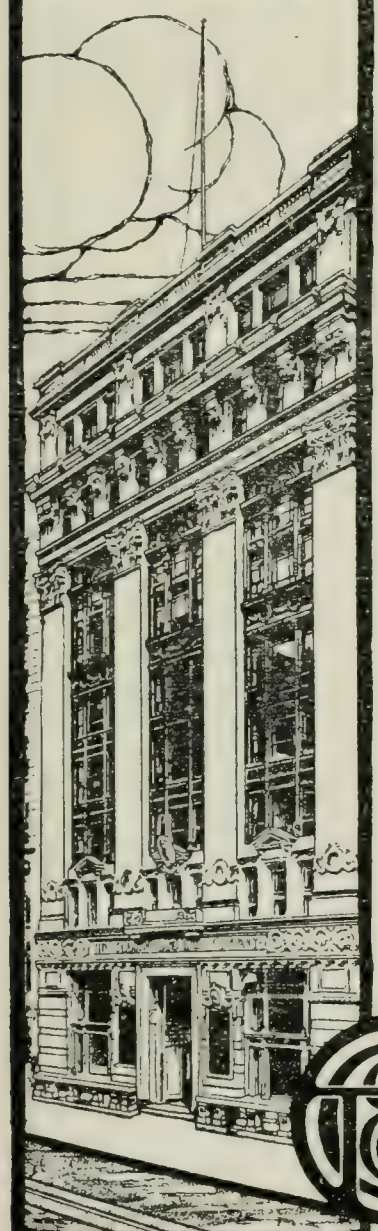
The Right Key

When a firm wishes to get names of investors who may be looking for "good things" in a panicky market, the advertisement of Spencer Trask & Co. (Figure 11) is an excellent example. It is pitched in exactly the right key, neither blue nor enthusiastic. It accepts a condition and offers an opportunity. It brought a large number of inquiries, so I am told, for the bond circular mentioned.

The advertisement, "The Rush to Buy Bonds," (Figure 12) contains some convincing talk well put, and it has the spice of individuality and originality.

A FAVORITE INVESTMENT

Head office of
Title Guarantee and Trust Company
176 Broadway, New York
a ten story building owned and occupied exclusively by us



TO enable the small investor to obtain a security which heretofore could only be purchased in the amounts of the individual mortgages, the Title Guarantee and Trust Company is now offering

Guaranteed Mortgage Certificates

of the New York Investors Corporation

In Amounts of $500 and $1000 to net 4 1-2%

These Certificates are shares in groups of Mortgages covering New York City real estate, all of which have the payment of principal and interest absolutely guaranteed by the Bond and Mortgage Guarantee Company. This investment is in the most convenient form—A Registered Certificate, transferable by indorsement. The interest is paid semi-annually.

These Certificates are rendered safe and care free by a combined capital and surplus amounting to over $17,000,000 and the services of a force of seventeen hundred persons. Each of the Companies fulfills the purpose of its organization and bears its share of the responsibility.

If you are interested and would like to secure a non-fluctuating, tax exempt investment, yielding the **best** return consistent with **absolute** safety, write us for full particulars.

Address Investment Department

TITLE GUARANTEE AND TRUST Co

176 Broadway, Manhattan, or 175 Remsen Street
New York City Brooklyn

FIGURE 17

Some Convincing Bond Talk

It is a good example of what can be done to make the market news of the day the text for a strong talk. The effectiveness of this kind of logic gives force to the prophecy that the commonplace announcement, containing little but dry facts and figures has seen its day.

It will have to give place to advertising with information, force and directness, like that shown in Figure 13, "Real Estate Bonds" of Peabody, Houghteling & Company, Chicago. The clean-cut, direct, simple, plain reasons why real estate bonds are a good investment make a strong appeal, and when backed up with a definite proposition, should have produced excellent results.

In panicky times, when the people are drawing money out of savings banks and selling speculative securities, frequent distributions of bond-buying arguments to the mailing lists should be the rule.

I quote this bond talk from one of the many good letters from Spencer Trask & Co.'s advertising department:

A Bond House's Bond Talk

Underlying conditions are undoubtedly sound. They bear no resemblance to the panic year of 1893, save by contrast. Then the agricultural classes were but little removed from poverty; to-day the agricultural wealth of the country is a matter of comment. Farmers have been prosperous for a number of years, and in many instances have acquired balances in the banks, or have become investors. There is a notable absence of over-production in the industrial world, and our manufacturing and mercantile interests have enjoyed years of increased trade and profits. Our money situation is not complicated as it was in 1893 by the free silver issue, and instead of depleted gold reserves, the resources of the United States Treasury are greater than ever. No over-extension of railroad building exists, but on the contrary the facilities of the roads have been actually inadequate for the business of the country. With the exception of an inelastic currency and a temporary lack of floating capital, the general situation is materially better than in any other panic year, and moreover, the country has now a resisting power against widespread disaster which it has not had in former times.

The greatest single factor affecting the price of sound bonds is the value of money, or the prevailing rate of interest over any considerable period of time. In any estimation of the probable future course of bond quotations, it is consequently essential to remember that high rates of interest prevailing in times of panic have been invariably succeeded, after the panic has subsided, by a more or less protracted period of low interest. This is largely caused by the contraction of business which takes place, and a business depression is always an excellent period for good bonds. Money accumulates in the banks, and the supply of available credit exceeds the demands. There is every reason to believe that the money market will follow this law at the present time, and that within a few months money will be comparatively cheap. Bonds of demonstrated value will quickly respond to the changed conditions by an advance in quotations, and, in fact, are already discounting these conditions by rising prices.

Twenty Per Cent?

The bond market is served by banks and trust companies, as well as by individual bond dealers, yet I venture there is hardly more than twenty per cent. of the people who use banks, and certainly not more than ten per cent. of these who handle money, who know of any such service.

A-R-E SIX'S

1888 — 1908

6% for Twenty Years

A Time-tried, Panic-tested 6% Bond Investment Based on the Ownership of New York Real Estate

FOR twenty years the American Real Estate Company has operated with uninterrupted success in the New York real estate field. For twenty years this Company has sold its obligations direct to the public and earned and paid 6% to thousands of investors the country over, without one dollar lost or gone astray. For twenty years the securities of this Company have never shrunk a dollar in value and every dollar due in principal and interest—more than $3,000,000—has been paid on the instant. During these twenty years panics have come and panics have gone, but the American Real Estate Company is safer and stronger than ever.

In continuing the issue of our 6% Bonds we point to Assets of over $10,000,000, including Capital and Surplus of over $1,500,000, as proof of the earning power of our business and the conservatism of our 6% rate. Results speak for themselves.

THE business of the American Real Estate Company is restricted by its charter to investment in real estate, and its fixed policy still further confines its operations to New York real estate in the direct line of the city's greatest growth. The ownership of New York real estate, carefully selected and wisely managed, is recognized by conservative investors as the *one best investment* in the world, unmatched for stability, safety and steady earning power throughout all financial conditions through a long term of years.

ALMOST unlimited opportunity is afforded for the further enlargement of the business of this Company, along the same thoroughly safe and conservative lines as in the past, and we invite conservative investors to consider the unusual advantages afforded by our Bonds on the basis of the convincing facts submitted in the Financial Statement, and the record of this Company.

A-R-E SIX'S offer a simple, safe and profitable form of investment, meeting the needs of those who have money in hand for immediate investment for income, or those who desire a safe and profitable channel for systematic saving, being issued in either of two forms:

6% Coupon Bonds—For *Income Earning*, sold at par in denominations of $100, $500, $1000, $5000, or any other desired amount in even hundreds; paying 6% interest semi-annually by coupons attached.

6% Accumulative Bonds—For *Income Saving*, purchasable by installment payments covering terms of 10, 15 or 20 years; payments and interest payable in cash at maturity. The yearly payment rates per $1,000 Bond are: 10-year term, $71.57; 15-year term, $40.53, 20-year term, $25.65

THE security back of A-R-E SIX'S does not fluctuate and is not subject to manipulation or depreciation. The business upon which they are based is time-tried, panic-tested, legally safeguarded, morally proven and economically sound. Its earning power and stability as well as the efficiency and integrity of its management, are abundantly demonstrated by the record of these twenty years. The performance of the past is assuredly the best promise for the future. It is the business behind the bond that counts.

The very nature of this Company's business, its valuable holdings, its financial standing, its successful record, its long experience, its efficient management, its unlimited field of investment—all constitute a definite and substantial basis for the confidence of careful investors in its Bonds. We shall be glad to give important facts to anyone seeking safe and profitable investment, including free map of New York City showing the location of our properties.

American Real Estate Company

513 Night and Day Bank Building — 5th Ave. and 44th Street, New York

DIRECTORS

Edwin K. Martin, Pres. — Dyer B. Holmes, Vice Pres. — Edward B. Boynton, 2d Vice Pres.
Richard T. Lingley, Treas. — William B. Hinckley, Sec.

THE BEST SECURITY ON EARTH IS EARNING ITSELF

FIGURE 18

Now and then in this, as in other things, we see a glimmer of understanding of actual conditions penetrate to the recesses of the cave-dwelling banker and trust company manager.

Mr. William Foley, manager of the Bond Department, Mercantile Trust Company, St. Louis, once issued a little circular in which he said some things about bonds and why a trust company had them for sale, which will bear repeating:

THE BOND DEPARTMENT.

Mercantile Trust Company, St. Louis

As a matter of policy, this company keeps about five million dollars invested in bonds. Of this amount about two millions is invested in railroad bonds, two millions in securities well known locally, and one million in municipal obligations.

We consider this policy a wise one, since the bonds furnish a secondary reserve for our depositors, and at the same time yield the institution a commensurate return.

Since the bond, once marketed, is a strictly negotiable instrument, it loses all elements of a personal nature and may be bought, sold or exchanged without being affected by the relationship between a bank and its borrowing customers. Or to state the case more clearly, a bank or trust company would be much more willing to sell bonds to replenish its reserves, than to disturb conditions by restricting or calling the loans of its clients. In purchasing bonds, it is wise to buy of a number of different issues to the end that there may be many markets for them in case their sale becomes necessary or desirable.

The province of the bond department is primarily to see that the bond investment of the company is wise investment. The bond department must see that the five millions of dollars entrusted to it bring to the company their interest return with promptness, certainty and safety. For this purpose files of information in regard to public corporations are maintained in the department, and every effort is made to keep fully posted on earnings, physical condition, and all other conditions affecting the desirability of railroad and corporation bonds, and likewise any matters which may influence the credit of borrowing municipalities.

The secondary province of the bond department is the buying and selling of bonds from and to investors, estates and other institutions. In this province the bond department stands in two relations to the customer; first, that of counsel, giving the customer the benefit of the information which it has, and of its experience; second, that of dealer and buyer; and in this relationship the company is entitled to the legitimate profit arising from buying at wholesale and selling at retail.

This department realizes that its ultimate success and continued growth depend entirely on its care in selecting the investments for the company and for its clients; and every effort is made to render its transactions satisfactory to its customers.

The bond department invites correspondence from other banks regarding the buying and selling of investment bonds. In dealing with other banks or bankers it is customary to allow a banker's commission on sales made through them. Offerings of municipal bonds are desired at all times.

That the bond department of the Mercantile Trust Company has handled upwards of sixty millions of bonds within the last four years to the satisfaction of its clients leads it to believe that the care and consideration given to such investments has been of value to the company and its investment customers.

Lists of investments which are owned by the company and recommended by it will be sent on request.

MUNICIPAL BONDS

School, City, County and Drainage Bonds, whose payment is provided for by tax levy, can be obtained **now** to

YIELD 5% and Over

The safest securities known, and this excellent rate is made possible only by the wonderful growth and need of permanent improvements

IN THE GREAT CENTRAL WEST

Our location in the center of this rich territory, large acquaintance, national clientage and ample resources enable us to buy entire issues of size at decided bargains.

We offer the following (or any part) with many similar issues, at prices below actual value:

$100,000 Iowa County 6% Drain Bonds
50,000 Missouri County 6% Drain Bonds
35,000 Arkansas 5% School Bonds
55,000 Missouri 5% School Bonds
60,000 Tennessee 5% County Bonds
35,000 Mississippi 5% County Bonds
40,000 Various Mississippi School Bonds
50,000 Farm Mortgage Loans

Such bonds have always appealed to Bankers, Trustees and others placing absolute security above income, and combine safety with good interest. They are suitable investments for those having $500 or more.

Now is the time to Buy Tax Bonds. Many other securities, while cheap, are uncertain; yet their cheapness has reacted on the good, resulting in bargains like the above, which are as sure as taxes themselves.

Our record of 18 years, many millions handled, perfect results, wins confidence. We are well-known, reliable Bankers, and can give you convenient references.

Send your name for our mailing list, and make requests for full information and confidential prices

WILLIAM R. COMPTON BOND & MORTGAGE COMPANY
1 Wardell Building, MACON, MISSOURI

FIGURE 19

No Better or Safer Investments Than

FIRST MORTGAGE FARM LOANS

Net You 5% to 6%

We collect and remit interest to you. We make personal examinations of Lands. Loans average $2,000 to $3,500 on improved quarter sections of Land. Never had a foreclosure.

We pay 5% annual Interest on six months' time deposits

Write us for our offerings. References furnished.

The National Citizens Bank

Lake Benton, Minn.

STOCKS An ideal investment is a guaranteed stock and it is especially attractive when it bears the GUARANTEE of the NEW YORK, NEW HAVEN & HARTFORD RAILROAD CO. The yield is high, the security excellent. Whether your order is for one share or 100 shares, it receives our best attention.

Write now for all "the FACTS."

FULLER & CO., - 39 Pine St., New York.

A SAFE INVESTMENT RETURNING A HIGH YIELD FOR A SHORT TIME

We are offering a limited number of Terminal Notes secured by first mortgage bonds and guaranteed by two important Railroads at a price

To Yield 7¾ Per Cent.

Special Circular No. N 9 upon application

POTTER, CHOATE & PRENTICE

Members N. Y. Stock Exchange

BANKERS

Hanover Bank Bldg., New York

Good Bonds

4¼ to 6½ on your money with safety—if you know how and where to invest it.

Requires study, experience, caution.

Our business is to give advice, and select conservative investments.

"Bonds are Best" is the title of our valuable investment guide which we send on request; ask also for list of municipal, railroad, public service, and industrial bonds.

Henry & West, Bankers

Dept. B, Real Estate Trust Building

Philadelphia

Members New York and Philadelphia Stock Exchanges

Tax Bonds

We own 26 separate issues of School, City, Village and County Bonds.

Investments for $100, $250, $500 or $1,000.

Such securities vary but little in value. Not dependable upon business management or conditions. Taxes pay these bonds.

The Great Central West

offers you good interest and security.

Buy now. We have customers in 30 States. Read our Booklet D, "An Argument For Tax Bonds." Get your name on our mailing list.

WILLIAM R. COMPTON COMPANY,

8 Wardell Building, Macon, Missouri.

J. N. Wisner **C. W. G. Rareshide**

J. N. Wisner & Co.

FUTURE BROKERS

Cotton Exchange Members

Offices

COTTON EXCHANGE BUILDING

New Orleans, La.

Fractional Lots—Stocks

High-grade dividend paying stocks and selected income bearing bonds in lots of one share upwards. Write for circular A 19, describing securities listed upon the New York Stock Exchange yielding from 5 to over 10% per annum at present quotations.

MAILED UPON REQUEST WITHOUT CHARGE TO YOU.

DAILY MARKET LETTER

J. F. Pierson, Jr., & Co.

(Members New York Stock Exchange)

66 Broadway **New York**

WE shall be pleased to send you free of charge our Bulletin entitled

"What is a Bond"

H. T. HOLTZ & CO.

Public Securities

171 La Salle Street, Chicago

FIGURE 20

An Object Lesson in Sound Finance

The following table covers a few of our **Serial Bond Issues** which have stood the test of time, and by reason of our methods have proved safe and remunerative investments, showing no depreciation during periods of financial strain.

A Serial Bond Issue is one in which a portion of the indebtedness is paid and cancelled every year, **without the release of any portion of the security.** A bond issue under our serial plan grows safer as it grows older.

Upon application, we will send circulars describing fully any or all of these bond issues, portions of which we own and offer at present.

Circular No.	NAME OF ISSUE	Date of Issue	Total Amount of Issue	Amount Paid Off	Total Bonds Now Outstanding	Value of Security
556	Erie Steamship Company	Apl. 15, '02	$ 117,000	$ 30,000	$ 87,000	$ 217,000
480	Franklin Factory Buildings	July 22, '02	75,000	30,000	45,000	152,000
483	Deere & Company	Nov. 1, '02	1,500,000	625,000	875,000	7,726,000
482	Valley City Milling Company	May 1, '03	155,000	33,500	121,500	378,645
489	Zenith Furnace Company	Aug. 1, '03	350,000	80,000	270,000	1,100,000
605	California-Western Railroad & Navigation Co.	July 1, '05	445,000	41,000	404,000	1.459,361
553	The Wellman-Seaver-Morgan Company	Sept. 15,'05	1,100,000	140,000	960,000	2,772,739
572	Northwestern Iron Company	Feb. 1, '06	400,000	25,000	375,000	1,834,000
589	Municipal Court Building	Sept. 1, '06	350,000	35,000	315,000	645,480

Peabody, Houghteling & Co.

(ESTABLISHED 1865)

181 La Salle Street, CHICAGO

FIGURE 21

Read Carefully

Careful reading of the circular shows how much more it was directed to bankers and large investors than to the man who had but $500 or $1,000 to invest. This is one of the consistent oversights and short sights of the dyed-in-the-wool banker. The inevitable result has been to drive the small investor into the arms of the shyster and the selfish grafter, and to deny the banker a greater market than could be accomplished by his own personal methods.

These methods belong to a stage of advertising development where faith in it as a means and confidence in the merit of the performance have to come as a result of dearly bought experience.

If the advertiser knew what he *could* do, he would do far differently and tear a page or two from the experience of Jay Cooke and the latter's war-time successes.

In marketing mortgages a few houses have shown unusual aptitude and success.

Some Comment on Advertising

One of the most successful is the Merchants' Loan and Trust Company of Chicago. The advertising generally appears in a few high grade publications going to the better class, and are modeled on the lines of Figure 14. An inquiry for a copy of the booklet, "Farm Mortgages Are Safe Investments," brings a booklet (Figure 15) with a layout of a color scheme that would be more creditable to a Fiji Islander than to a banking concern, yet filled with an argument calculated to inform the investor of the safety in farm mortgages.

The letter is short and very much to the point:

Dear Sir:

As per your request, we are pleased to send you herewith our booklet, "Farm Mortgages Are Safe Investments."

We also send herewith our farm loan list No. 15, giving a few of our mortgages.

Yours very truly,
F. W. Thompson,
Manager.

If we can serve you, kindly command us.

F. W. T.

Indifferent

Accompanying this rather indifferent glad-to-sell-you-if-you-want-any epistle is a circular as shown in Figure 16. This style of advertising "hitches up" to the magazine work rather well, and has, it is said, produced excellent results for the amount expended.

Another and more elaborate method of advertising is shown in Figures 17 and 18, in which the offering is made in the shape of certificates

based on mortgages. These certificates have also been popular because they apparently gave even more security than mortgages offered, especially to investors who lived at a distance from the property concerned.

Some Comment on Examples

In Figure 19 is shown a general style of investment advertisement which attempts to do too much to be largely effective. Small investors make up their minds to put their money into certain kinds of securities, bonds, mortgages, notes or stocks, hardly ever into all or two or three of them.

The advertisement of The National Citizens' Bank, shown in Figure 20, is a better mortgage advertisement and should bring more effective results. In this same illustration are shown other advertisements, all of which seem to have been prepared under the same instruction.

A glance at the advertising of the mortgage bond houses as run in 1907-08 will show even the most casual observer how little apparently there is to be said for the security and how bankrupt the invention of those who design the advertising. One man starts a style, and immediately the whole bond and stock advertising world follow him like sheep. While this is true to what Carlyle said was human nature, yet it is childish and absurd none the less.

Look through all of the advertisements reproduced in this chapter, note the sameness of set-up and display, the number of times the same set phrases are used for headlines and descriptions, and how often the per cent. sign is used in the display.

It may be urged that these things are what the people are looking for, or are things that appeal to the man with money.

So much is true.

There are other things that appeal quite as much. For instance, the advertisement shown in Figure 21 is out of the rut and is calculated to impress the man with the standing, judgment and success of the house that publishes the statement. Apparently this advertiser is looking into the future, and has a real, abiding faith in the efficacy of advertising as a force for business and reputation making.

There seems to be in general no real, business-like attempt on the part of the bond sellers to educate the public in the true economy of bond buying. This has been left to the magazines carrying a greater proportion of this advertising. "The World's Work," "Success" and "Saturday Evening Post" have regularly conducted departments for the discus-

Investment Information

BY

Farson, Son & Co.

Oldest Bond House in the West

A large percentage of the replies which come to us from those who answer our advertisement on Irrigation Bonds, come from people who frankly acknowledge their ignorance regarding this class of securities. They seem to have an idea that Irrigation Bonds are something new—and therefore to be regarded with suspicion—or "handled with care"

The fact is, a Municipal Irrigation Bond is secured in exactly the same manner that a school or other public improvement bond is secured, viz.—by direct tax levy

When a school, a courthouse, a sewer system, a bridge, a jail, or any other public improvement is needed in a city, county or certain district, then Municipal Bonds may be issued, either by order of the proper officials or by direct vote of the people, according to the laws of the state which govern such acts, and these Municipal Bonds are secured and paid by taxes levied on all the property in that city, county or district

Municipal Irrigation Bonds are secured in just that way An irrigation system is declared to be a needed improvement, which would greatly enhance land values in a certain district, besides attracting homeseekers.

The bonds are thereupon voted

The Montezuma (Colorado) Municipal Irrigation 6's, and the Oneida (Idaho) Municipal Irrigation 7's (netting 6% at present prices) are two bonds we are exploiting which are secured by direct tax levy. Both irrigation systems are already installed, and the present bond issue is for the purpose of enlarging each system.

Empires are being built all over the great west through these irrigation systems.

You would be amazed at what had already been accomplished through irrigation, if you have not been following the movement in that direction

Bond Circulars 1160 and 1170 describe the Municipal Irrigation Bonds of the Montezuma and Oneida districts respectively. We send them free for the asking. Write to either office.

Chicago— **First Nat. Bank Bldg.** **New York. 34 Pine Street.**

We are Members of the New York Stock Exchange.

Investment Information

BY

Farson Son & Co.

Concerning Irrigation Bonds.

Irrigation bonds are a comparatively new addition to the investment ranks

What are they?

Are they safe?

These are the two leading questions which are put to us almost daily.

Irrigation bonds may be issued, 1st, as a municipal obligation, secured by direct tax levy on an irrigation district, as in the case of the Montezuma Municipal 6's, or, 2nd, by a company which has undertaken to construct an irrigation system and supply water to land buyers in a certain section at a fixed price per acre, as in the case of the Eden (Wyo.) First Mortgage 6's. These latter then take on the character of farm mortgages, because they have land security back of them

Are irrigation bonds safe?

In our opinion they are absolutely safe

What is the basis of all security anyway? Land. And while ordinary farm land is excellent security, **irrigated land** is even better because it commands much higher prices. **Weather conditions** don't worry the farmer who **"buys his rain to order."**

He knows **what** he can raise and **when** he can take his product to market—consequently he won't sell such property unless at a fancy figure. You can safely **waive** the **safety** question as regards irrigation bonds.

We venture the assertion that within a short time irrigation bonds will be as popular as any securities in the market, and will sell at a price that will bring down their net interest earning to a point much below the attractive figures they show now.

We should like to submit some choice irrigation 6's to you, either in person or by correspondence.

No question about our interesting you.

Circulars 1130 and 1140 go into particulars. Send for them if you can't call at our offices.

421 First National Bank Bldg., Chicago.
34 Pine Street, New York, N. Y.
Oldest Bond House in the West.
Members New York Stock Exchange.

FIGURE 22

sion of the questions of investment. The last named publication has been most successful in creating a definite public interest through the able papers of Mr. Isaac F. Marcosson, whose book, "How to Invest Your Savings,"* containing the best of the first series, has had an unusually large sale.

Marcosson's Book

The very fact that these papers attracted country-wide attention, the very fact that the demands of the investing public made necessary the large editions of the book, is proof beyond dispute of the soundness of my contention that the people want light on the more simple problems of investments, that they want guidance and education, that they are willing to listen. If investment brokers are not entirely blind to the opportunity, handbooks, not conglomerations of figures and unrelated statistics, not written in the jargon of the market, not made up of charts by which the most skillful pilots of Wall Street guide their customers, but filled with the sane, sensible, simple talk of the man who knows, to the man who finds it difficult to believe as well as to understand.

Mr. Marcosson's book could be taken as a model for such books.

The bond of today must yield five or six per cent. if it is to interest the average investor, and the bonds must be good bonds.

Since 1903 times have changed—prices have gone up, cost of living increased, and those who depend on bonds for their incomes must have more returns.

Industrials Selling

This has resulted in the industrials becoming a ready seller, also the bonds issued on stock collateral by the railroads, and it is these bonds that prove so sympathetic with the rise and fall of the stock market. The West, where the electric railway, lighting companies, gas companies and water companies, the new railroad, telephone and power companies, have been springing up at such a rapid rate, has profited the most by this condition.

Realty concerns have bonded their mortgages and have sold millions of these.

The public, however, is becoming educated. It wants to go to houses that make a specialty of certain forms of bonds, mortgages or stocks. The advertiser should identify himself with whatever specialty he may select. The house should tell the public the *process* by which it assures itself of the real value of a company, its equipment, honesty and efficiency of

*Published by Henry Altemus Co., Phila.

SPENCER TRASK & CO.
BANKERS

WILLIAM STREET
CORNER OF PINE STREET
NEW YORK

November 24, 1906.

John Jones & Co.

Detroit, Mich.

Dear Sirs-

We beg to acknowledge receipt of your favor of the 22nd inst., and have pleasure in handing you herewith a copy of special letter and circulars descriptive of a carefully selected list of investment securities, which we are offering, subject to sale at prices yielding an average income return of about 5.15%.

We reccommend to your careful consideration the improvement mortgage 5% gold bonds of the St. Louis Transit Company, which we are offering, subject to sale, at 96 and interest yielding about 5.35%. These bonds are guaranteed, principal and interest bv the United Railways Company of St. Louis by endorsement, and you will note from the comparative statement of earnings to latest date, the excellent showing that the Railways Company is making. The importance of the depreciation fund is emphasized by the fact that the company recently reconstructed and brought up to the highest standard of efficiency about thirty miles of city track without increasing its capital obligation, payment having been provided entirely from earnings.

We make further enclosure of circular descriptive of the Detroit Edison Company five-year 6% convertible gold debenture bonds, which we are offering, subject to sale, at 101-3/4 and interest yielding about 5-1/2%. You are doubtless familiar with the strong position that is being attained by the Detroit Edison Company. Your familiarity with the property will also undoubtedly impress you with the intrinsic value of the convertible 6's.

We are sending a copy of this letter to Messrs. _____ _. _____ & _____, our Detroit correspondents, who will be glad to call upon you and give you further information with reference to our investment offerings.

We remain,
Yours very truly

SPENCER TRASK & CO

FIGURE 23

STERLING DEBENTURE CORPORATION
56 WALL STREET—61 PINE STREET
NEW YORK

CABLE ADDRESS: "TELEGRAPHONE, NEW YORK"
TELEPHONE: 4647 JOHN

February 7, 1908.

Mr. E. St. Elmo Lewis,

Detroit, Mich.

Dear Sir:

As requested in your recent favor, we take pleasure in enclosing the illustrated booklet on the Telegraphone published by the American Telegraphone Company.

The reading of this interesting phamphlet presents this fascinating story both in technical and everyday words. It outlines the many business and home uses of the the Telegraphone. It includes a few of the things Lord Kelvin, Marconi, Bell, (inventor of the telephone) and other scientists have written about this marvelous instrument. You are sure to read the story of the Telegraphone with interest-simply as a story.

Attached to the booklet is our Financial Prospectus which, we hope, is of equal interest, not only in showing the great profit that has followed investment in similar undertakings based upon a SINGLE source of income, but the greater profits sure to follow investment in the original shares of the American Telegraphone Company because of their MULTIPLIED SOURCES OF INCOME. This wonderful instrument will have a virtual MONOPOLY (though a legal and beneficent one) in its many fields of service by reason of the basic patents granted its inventor.

Should there be any point, in either the booklet or prospectus that we haven't made perfectly clear, we hope you will write us forthwith about it.

Your prompt use of the ''Stock Reservation'' postcard, enclosed, will entitle you to reserve such number of shares as you may wish (not exceeding 100) of this desirable industrial stock, and as the major portion of this limited issue has already been sold, and the remainder is being rapidly allotted, we venture to urge you in your own interest, to forward this postcard at your early convenience.

Yours very truly,

STERLING DEBENTURE CORPORATION,

J. B. CHASSEAUD, President.

K./L.I.

FIGURE 24

management, franchises, etc., and not content itself to give the question of examination a sentence.

Any bond dealer thoroughly understands what I mean when I say, tell the public what you tell the individual. *What* shall be told you know quite as well as I.

Some Effective Newspaper Talk

The newspaper has always offered an excellent news field, and has been used principally to talk to financial and the professional investor and hardly ever to the greater public. Figure 22, showing an advertisement of Farson, Son & Co., Chicago, is an example of effective investment talk in a newspaper. For quick sales, for offerings of small lots, or for a means of marketing a small lot for a customer, the newspaper is a quick-acting medium. In such cases use the paper appealing to the monied class. In handling an entire issue in small denominations, which you wish to scatter, use the middle class dailies of influence. The paper of the man in the street can be of but little service to the bond dealer.

The personal letter and the "market letter" have proven most effective in selling bonds and stocks, as well as in other financial work. But do not confound the market letter with a personal letter. The former is not a letter at all. It is a circular.

I have often wondered, when I received a mussy, dirty, badly printed to the point of being indecipherable piece of paper, if the members of a banking house who issued some of these "letters" were really reading their own stuff.

I have before me some two hundred "letters" issued by houses advertising in magazines, and in some cases the mimeographing is so poor that the words cannot be distinguished.

The Market Jargon

Try to read one—the market jargon and the technicalities would drive the ordinary farmer who had a couple of thousand surplus from his crops to despair. Probably he would take the letter to his banker and ask him whether the bond dealer wanted to sell or was warning him against the bonds mentioned. The banker having some bonds of his own, naturally offers some suggestions which may result in the advertiser losing what might have been a sale.

The letters and descriptive matter of such concerns as Spencer Trask & Co., following up the inquiry produced by their advertising is calculated to produce the best results with the class of people who appreciate the value of good investments and who are already educated in the elements of safe investment.

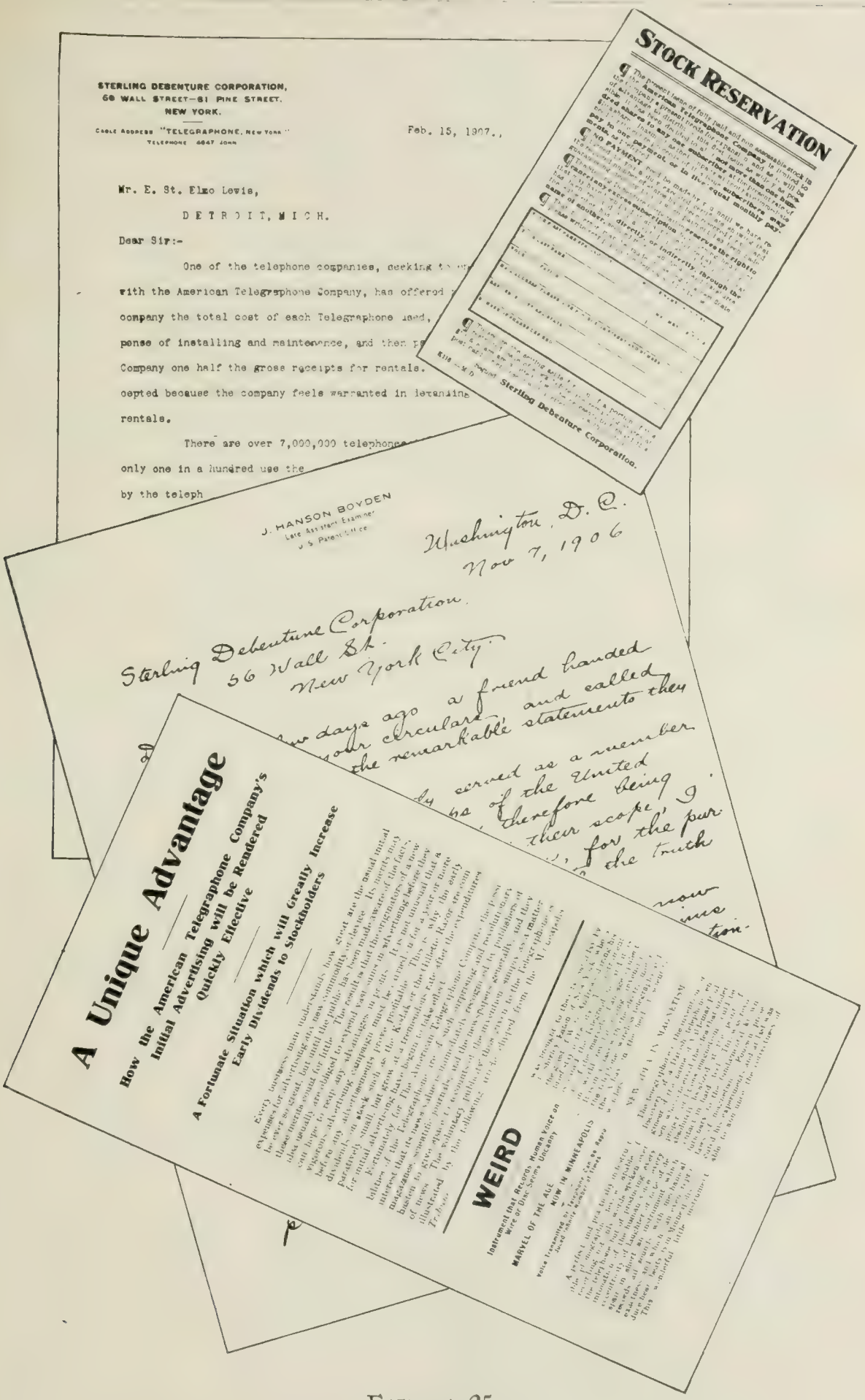

STERLING DEBENTURE CORPORATION,
56 WALL STREET—61 PINE STREET,
NEW YORK.
Feb. 15, 1907.,
Mr. E. St. Elmo Lewis,
DETROIT, MICH.
Dear Sir:-
STOCK RESERVATION
Sterling Debenture Corporation.
J. HANSON BOYDEN
Washington, D. C.
Nov 7, 1906
Sterling Debenture Corporation.
56 Wall St.
New York City.
A Unique Advantage
How the American Telegraphone Company's Initial Advertising will be Rendered Quickly Effective
A Fortunate Situation which will Greatly Increase Early Dividends to Stockholders
WEIRD
MARVEL OF THE AGE
NOW IN MINNEAPOLIS

FIGURE 25

On the other hand, however, there is that same lack of humanity which has made it possible for other concerns, less reputable perhaps, but more successful from the point of advertising returns, to gain the eye and interest of the man with the dollar.

How One House Did It

Read one of the letters received from a bond house, as shown in Figure 23, and then read the letter (Figure 24) from another investment concern offering for public subscription the stock of a new invention.

The former is one of the best letters of its kind, but you will probably admit that it would not interest the same grade of intelligence as that to which the second letter would appeal. You will also probably admit that the second letter is calculated to impress the average man of no particular stock market or investment experience with a desire to know.

Following this in eight days came another letter, with enclosures, shown in Figure 25; all enclosures were of the highest grade of printing, in striking contrast to the manner of presenting the greater and presumably higher grade propositions as shown in Figure 26.

Soon after this there came another letter, enclosing some more "literature" and a letter that was more persuasive, as follows:

A Letter

It has been our pleasure to write you before regarding the American Telegraphone Company's limited offer of Stock, but evidently we have not given you a clear idea of its importance, or you would surely be already numbered among its stockholders, or require further information.

Perhaps our letters have omitted some details which you would like to know. If so I shall be glad to answer your questions. If you prefer some other line of investment let us know and we shall tell you plainly whether or not we can be of service to you. We wish to furnish all our new as well as our old correspondents with such information as may help them in the matter of making investments—large or small. We should like to number you among our friends and permanent customers and we cannot hope to do this except by assisting you to make profitable investments.

As far as we know, there is nothing now obtainable that can compare with Telegraphone Stock, because the instrument back of it is sure to come into universal use, just as the telegraph, telephone and phonograph did. It has been subjected to the most trying tests, under all manner of conditions, and the verdict of all users is that it has come to stay and will be indispensable wherever a telephone, telegraph or phonograph can or will find use.

May I not look for a letter from you by an early mail? Be free to ask any questions you have in mind, either regarding the Telegraphone or any other investment now on the market. Please use the addressed envelope enclosed herewith so that your lettter will come to my personal attention.

Yours very truly,

President.

With this letter came a "reservation card" and a card by which I could order a machine for future delivery. A circular asked me if I had

FIRST PAGE

$916,000.

SOMERSET COAL COMPANY OF PENNSYLVANIA.

5% CAR TRUST BONDS OF 1906.

Dated December 1, 1906. Maturing annually from December 1, 1907, to December 1, 1918, inclusive. Interest payable June and December, at The Fidelity Trust Company, Baltimore, Maryland.

TRUSTEE; THE FIDELITY TRUST COMPANY, BALTIMORE, MD.

Coupon bonds in denomination of $1,000 each. These Bonds are issued to cover 85% of the cost of 1,000 steel underframe extra heavy truck standard coal cars: capacity of 100,000 pounds, at a net cost of $1,078.20 per car, 15% being paid in cash. Built under the inspection of Robert W. Hunt and Company, of New York, Chicago, Pittsburg and London, and the Superintendent of Motive Power of the Cumberland and Pennsylvania Railroad Company, by the South Baltimore Steel Car and Foundry Company, of Baltimore. We offer any maturities subject to sale, at the following prices, at which the net return will equal 5-3/8%:

MATURITIES AND PRICES.

$80,000	due Dec. 1,	1907: 99.64	& int.	$76,000	due Dec. 1,	1913: 97.84	& int
76,000	" "	1908: 99.30	"	76,000	" "	1914: 97.59	"
76,000	" "	1909: 98.97	"	76,000	" "	1915: 97.35	"
76,000	" "	1910: 98.67	"	76,000	" "	1916: 97.13	"
76,000	" "	1911: 98.37	"	76,000	" "	1917: 96.92	"
76,000	" "	1912: 98.10	"	76,000	" "	1918: 96.71	"

Purchasers will receive temporary negotiable receipts of The Fidelity Trust Company, exchangeable for the definitive bonds when issued, which will be about December 1st, 1906. The Trust Agreement and all legal matters pertaining to this issue have been approved by

H.R. PRESTON,

WILLIAMS, THOMAS AND WILLIAMS.

For further particulars we refer you to the letter of Mr. J. H. Wheelwright, Vice-President of the Company, attached hereto.

SECOND PAGE

SOMERSET COAL COMPANY
Baltimore,

J. H. Wheelwright, Vice-President. October 23rd, 1906.

The Fidelity Trust Company, Trustee,
Baltimore, Maryland.

Gentlemen:-

For your information, we are pleased to submit the following data relative to this Company:

The Somerset Coal Company was incorporated under the Laws of the State of Pennsylvania on December 20th, 1901. (a majority of its Capital Stock is owned by The Consolidation Coal Company.) Since the organization of the Company, it has expended very large sums in the purchase of lands in the Jenner Field and improvements thereon in the way of plants and equipment, about $1,000,000.00 of which has been provided from the earnings of the Company.

The Company now owns in fee 29,269 acres of coal, of which 20,431 acres are located in what is called the Jenner Field. All of this latter acreage is practically undeveloped. It also owns 3,413 acres of surface lands. It operates under royalty agreements 3,877 acres of coal and 40 acres of surface lands. The Coal underlying these properties is estimated to be 330,000,000 tons.

The Company has an authorized issue of $4,000,000.00 First Mortgage Five Per Cent. Bonds, of which $2,909,000.00 are outstanding in the hands of owners; $500,000.00 are outstanding as collateral for loans $451,000.00 in the Treasury: and $140,000.00 in the Sinking Fund

The Company has seventeen fully equipped mines in operation, one of which is located in the Jenner Field, and four additional mines are now being opened in this field, and will, when completed furnish a large additional tonnage

To expedite the development of the Jenner Field and provide for the increased tonnage, the Company has arranged with The Fidelity Trust Company, Trustee, under an Indenture of Lease and Conditional Sale for 1,000 modern steel coal cars of 100,000 lbs capacity

The Company began operations on February 1st, 1902 The average net earnings of the Company from that date to September 30th, 1906, (the month of September, 1906, estimated) have been $302,958.84 per annum over and above the interest on its bonded indebtedness and all other fixed charges.

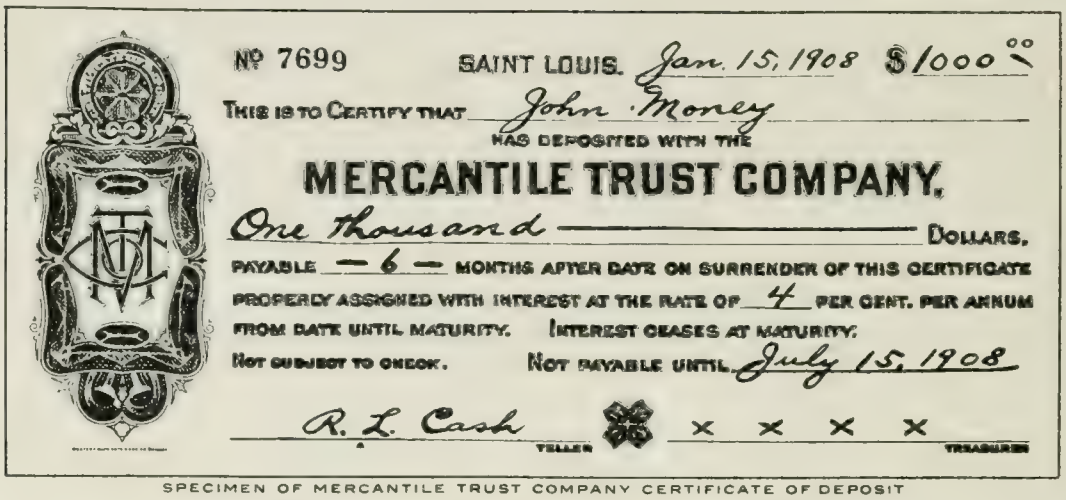
The Cumberland & Pennsylvania Railroad, which is owned by The Consolidation Coal Company, is enlarging the capacity of its shops at Mt. Savage, Md., with a view of providing for repairing all cars owned by the Companies controlled by The Consolidation Coal Company

The Consolidation Coal Company and its constituent properties are mining and shipping about 10,000,000 tons of coal per annum.

Very truly yours,
J. H. WHEELWRIGHT
Vice-President

FIGURE 26

4% INTEREST INTEREST 4%



SPECIMEN OF MERCANTILE TRUST COMPANY CERTIFICATE OF DEPOSIT

CERTIFICATES OF DEPOSIT

OF THE

Mercantile Trust Company

ARE CONVENIENT AND PROFITABLE INVESTMENTS

WHAT A CERTIFICATE OF DEPOSIT IS

The Mercantile Trust Company CERTIFICATE OF DEPOSIT is a written acknowledgment that we have received from the party named in the certificate, a sum of money to be paid, on surrender of the certificate, six or twelve months after date, as agreed upon. These certificates bear 4 per cent interest.

Certificates of Deposit are not subject to check. They are, however, transferable.

WRITE OR CALL FOR FULL PARTICULARS

MERCANTILE TRUST COMPANY

8th and Locust Streets

Capital and Surplus $9,500,000 Resources Over $36,000,000

FIGURE 27

arranged for a machine in my office or home during 1907. This last was a clever touch, as it was calculated to make me see an immediate future supply and a prospect of getting stock in a "going concern." Another circular, "Your Opportunity," had endorsements from eminent scientists, particularly well known to those who were readers of the daily press.

These promotion corporations always go to greater pains to show the possible buyer *ex parte* proofs of the character of their products.

This will be answered by, "They can afford it because they get big commissions, while the banker gets very small ones."

The truth of the matter is the banker gets very small commissions because he generally does so little.

What Lawson Gets Paid To Do

When H. H. Rogers wanted Thomas W. Lawson to handle the Amalgamated deal Lawson got well paid and he did a tremendous work. When the National City or Morgan or any of the other big banks undertake to float an issue they get well paid and dole out the small commissions to those who do not know how to do the work.

Lawson tells us that he has paid out seven or eight millions of dollars for advertising, simply to create a state of mind in the American public. He has been the best advertised man in the country, barring Rockefeller or Morgan.

Morgan has the power with the people because he has been in print and because they have come to know him and have confidence in his ability. They have had confidence in Lawson only up to a certain point, because no man, no people, are willing to entirely trust a man who admits that he wants to do right in order to "get even."

Many people believed in Lawson, in what he said and its general truth, but they wanted to make their own terms and exact their own reprisals.

Lawson recently* told the story of how he came to invest in the famous "Lawson Pink," and he gives some interesting side lights on his advertising campaigns, what they really meant and what he hoped to accomplish by them.

A Lawson Story

Let me tell you the real truth about that Lawson pink story. I had a florist who experimented on a carnation. One day he brought me a dozen of the blooms. I took them to Mrs. Lawson. She thought them very pretty, so did I, so I secured all there were of them, perhaps a dozen a week or so. I told the florist

*At a dinner of The Sphinx Club, New York City, an advertising organization.

Lawson's Story by Lawson

how pleased Mrs. Lawson was with them and he named it the Mrs. Thomas W. Lawson Pink. One day he came to me and said that a man named Higginbotham, from Chicago had offered five thousand dollars for the pink. "What, $5,000 for a pink? Is he bug house on flowers or money?" He explained to me that next year there would be fully two hundred of the pinks in bloom and that they would readily bring two dollars apiece. Higginbotham raised the price to twenty-five thousand dollars.

Then we took off our coats and got busy.

When I got up from that sit down—we always take off our coats and sit down when a deal gets up to twenty thousand dollars, I paid the florist thirty thousand dollars for the flower and agreed to spend fifteen thousand dollars in the next six days advertising the fact that I had paid thirty thousand dollars for the pink. He was to have a third interest in the deal and I was to have two-thirds. I spent some forty thousand dollars instead of fifteen thousand dollars, in advertising the pink, directly and indirectly. In less than eight months he handed me back my original capital with fifteen thousand dollars profit, which was a fair percentage, as we figured it, in business, and I gave the famous pink back to him, and today it is probably the most successful flower of that or any other kind that man has ever commercialized.

I began some two years ago advertising in Europe and in America simultaneously, that is, at the same time. I think this will go over a few of the points of these peculiar advertisements that you read in New York, San Francisco, Chicago, St. Louis, London, or other European cities simultaneously. That is, they are printed simultaneously. What you read in New York you can read in London on the same day. These advertisements are all about the market. They must be completed, that is, you must find the subject round it up, whip it into shape, and get in on the cable lines by seven o'clock at night. This is because I must wait for the market to close at three o'clock, and it takes fifteen or twenty minutes or a half an hour to diagnose the market of today in order to predict in an infallible way. Of course you can predict in a way that is not infallible, but to make an infallible prediction it takes from half to three-quarters of an hour. Then these advertisements run from fifteen hundred to five thousand words. I have, as I said before, spent as high as $385,000 on a single batch of advertisements. I have printed sixty-two in sixty-five days, some of them costing over thirty thousand dollars for a single day, with toll fees and cable fees running from twenty-five hundred to three thousand dollars in a single day. I will tell you how these advertisements were started.

"The Papers Were Full"

The papers were full.

I had been working them to the limit for free advertising. They were full of political news and I wanted to express an opinion about the market. The papers turned me down. I said, 'Why not put it in the form of an advertisement?' It looked good. There is nothing in the world, you know, that looks so good as your own advertisement. The advertising plan worked so well in Boston that I tried it in Chicago and all over the country. I tried it in London and it worked all right. I liked it.

So you see, after all, how little some advertising men, most advertising men, know about their own game compared with those who don't know. The other day a man came to see me. I think that man is with us tonight. He is at the head of one of the greatest advertising firms in this country.

Doing a Lot of Advertising

He said, "Lawson, you are doing a lot of advertising."

I replied, "Yes, I know it."

He then went on to say that he had figured out that I must often spend on a single page as high as a hundred thousand dollars. I told him to make it three hundred thousand. He then stated that I must spend as high as a thousand dollars a day in telegraph and cable bills. I told him to make it three thousand. He then said that they had a scheme by which they could save me a large per-

centage of that expenditure for advertising, telegraphing and cabling. I told him I wanted that scheme and wanted to know what he wanted for it.

His scheme was to have a plate made of the page advertisements and send them to the different newspapers all over the land by express.

I told him I had nothing to sell and that his scheme would not do for me.

He said, "I don't understand it at all."

I replied, "That is essential before you can figure on this problem."

I want people to read my advertisements. That is what I spend money for, not to sell goods.

London is slow compared with either Boston or New York. I cabled over to London to a newspaper and inside of a few weeks, what do you suppose they were doing? I cabled at half-past three o'clock that an advertisement was coming. They ran out a lot of posters reading, "Read Lawson on the market tomorrow." Now that's going some for London, by gum. The way they handled the advertisement made the staid, slow-going Britishers sit up and take notice. Next morning the walls and billboards were covered with big posters reading, "Lawson gives an opinion this morning," or something to that effect.

Now, how could this be done by the plate scheme sent by express? It would be utterly impossible.

Another illustration.

This little, intricate, peculiar advertising game is very often better understood by those that are in it than by those that are not. One day a young man came to my office and asked me for a little of my time. He said he had a little story and that if I would only listen to it he felt sure I would do something for him. He asked for thirty minutes. I told him he was mistaken, that he wanted from three to five hours.

He had a magazine and it looked good to me. He had got it to a point where he was sure of having his first issue of fifteen thousand copies gotten out.

I said to him, "What do you want of me, then?"

He replied, "I have been reading of your wonderful success—(they always tell me of my wonderful success). He said, "If you will tell me what you would do in this particular case, I will go out and do it, and I will have the same kind of success that you have had."

I said, "All right, I will do it."

I showed him what to do.

At the end of the five hours he was still showing me more of his magazine and telling me of his hopes and all that.

He Told Me

I asked him how much capital he had. He said outside of the printing and other expenses he would have about eight hundred dollars left.

"How much has your wife got?" I queried.

"About sixteen hundred dollars," he replied, "but I would not touch that. We have two young children."

"That's twenty-four hundred dollars, all told," said I. "Now, I would go to the bank and get a new thousand dollar bill and stick it between the leaves of one of the fifty thousand copies of the next issue of your magazine, take the fourteen hundred dollars you have left and give it to the advertising man to spread the news that you have taken a thousand dollar bill and thrown it in between the pages of one copy of the issue."

He said, "My gracious, Mr. Lawson, you wouldn't have me do that, suppose it would not work?"

"Well, you would be broke, that's all," I said, "but you will have a greater incentive than ever to begin with."

He Asked Me Timidly

"Did you ever do such a thing yourself?" he asked me timidly.

"Why, young man," said I, "I've gone home and rounded up my family, told them what I had in mind, discussed it with them, and when we decided that I had a good fair chance to win out we've staked our all on the venture, given all we could raise to the advertising man, told him to do the best he could with it, and then sat down calmly to wait for the returns." That's advertising, my friends. You've got to back your faith in a venture by liberal advertising—stake your all if needs be, and win or lose. When they tell you of Lawson's wonderful success, they never say a word about the long nights of toil, nights when I have sat up on the point of a carving knife as it were, waiting for the returns from my advertising.

Well, the young chap couldn't do it; couldn't see his way clear to taking my advice. He did use the eight hundred dollars. I have between thirty-five and forty-five thousand dollars worth of his I. O. U.'s, and some day he'll have a magazine, but he wouldn't advertise.

In this way Lawson has forced himself into prominence—made himself a power and a force that can do a great deal of harm if he cannot do a great deal of good, therefore he must be reckoned with.

Of course, *you* couldn't do such things—you couldn't and you wouldn't use the bizarre, hippodrome methods that Lawson can and has used.

Watch the future, my friend, and you'll see honesty and fair-mindedness and square dealing and self-respect, garbed and in its right mind, conducting campaigns in the open columns of the newspapers and through the work of the publicity bureau.

The Only Danger to Your Credit

You will realize, or the generation that comes after you will, that the only danger to credit is misrepresentation and the hidden lies of the financial black-hand, the underground mining and counter-mining of those who do not want the public to know because that means failure for their little schemes.

But the public will know—the corporation that will not tell will not exist—the advertising columns will be dangerous to misrepresentation because the lie can be nailed, exposed and the liar put where he cannot do hurt.

That is the tendency of the times.

Look over your future.

What does it mean to you?

CHAPTER XXXIV

ADVERTISING SAFE DEPOSIT SERVICE

THE STRONG BOX OF THE COMMUNITY—FIRST THE SAFE DEPOSIT THEN THE DEPOSIT IN THE SAVINGS OR COMMERCIAL SIDE—THE "NUISANCE" THAT PAYS—SAFETY IS THE FIRST THING—SUBJECT CLOSE TO THE INTEREST OF THE PUBLIC—OUR RIDICULOUS GENEROSITY IN THE SUPPORT OF LAWS AND LAWYERS—OUR NATIONAL PARADOXES OF CHARACTER—ADVERTISING AFTER A FIRE—INDIANAPOLIS BANK—EDUCATION AGAIN—WHAT PEOPLE DO NOT KNOW ABOUT SAFE DEPOSITS—USING THE NEWSPAPERS—COLUMBIA SAVINGS & TRUST COMPANY, COLUMBUS, OHIO—REMARKABLE BOOKLET WORK—GETTING IMPORTANT PAPERS—H. B. CRADDICK, PEOPLE'S SAVINGS BANK, NEVADA, IOWA—THE SAFE DEPOSIT BY MAIL IDEA—CARNEGIE TRUST COMPANY, NEW YORK—HAS IT A REASONABLE EXCUSE FOR EXISTENCE?

THE safe deposit vault is the community strong box.

That is the keynote that should be sounded in all its advertising, and is the one with which to reach the greater number of the people.

There are three ways of looking at the safe deposit business as an advertisement for a bank or trust company or as a profit producer, or both.

The first attitude is pretty general among those who have actively used the safe deposit feature in their advertising.

There are hundreds of people who will not place their money in a bank who will be glad to use a safe deposit box.

The Renter Becomes a Depositor

Country bankers will tell you this is true. Farmers will come in and rent a box, place their money and papers in it, come back again in a week or so to "look around," count the money and see if things are all right.

By and by that man takes his money out of the box and wants to open an account, or he may want to buy a bond or a mortgage or a little stock in some good proposition or a certificate. Such gradually get educated up to the use of a bank, you know, and accomplish most when they are once convinced of the efficacy of anything they try for the first time.

The country banker has a few boxes put in his safe, or the small town banker has a small vault and talks safe deposit in a line or two in his advertisement, and if half or three-quarters of the boxes are engaged he is happy and never tries to get them all rented.

Too often he looks on the safe deposit business as a nuisance, because the farmers always come in market day, just when he is busiest

Whose House To-night?

BURGLARS know their business pretty well. Their work is cunningly planned before they do it. They make an advance study of *people* as well as *premises.* Their chosen victims are those who do not bank their money.

If you are risking your money and the safety of your family by keeping cash about the house, change your system NOW. Don't wait for your home to be invaded by murderous thugs from the thieves' nests of the city slums.

THIS BANK is at your service. Here is absolute safety for your funds at not a penny of cost. Your money here is in the care of responsible, bonded bank officers, and every dollar of it is insured against loss by fire and burglary.

No insurance company will insure your money in your house, but the best and strongest companies are glad to insure your money in bank. We pay insurance companies for this protection of your funds while in our care.

The Pennington County Bank

Of RAPID CITY, S. D.

WITH RESOURCES OF OVER SIX HUNDRED THOUSAND DOLLARS respectfully solicits your business

UNDER STATE SUPERVISION

FIGURE 1

with depositors and business men, and he has to wait on a man with a two-dollar-a-year safe deposit box just as carefully as he does the man whose discount may mean twenty dollars.

Of course, that banker has no business to be in the banking business, but if we stopped to criticise and correct only those who were born bankers we would not be kept busy and the world would not know much that it has learned from observation.

A Very Real Thing, is Safety

The country banker can offer safety that is a very real thing in this day of the yeggman and the large stretches of practically unprotected farm country.

The copy must deal with conditions as they are. You can't be over-nice and quiet in your methods. Figure 1 is a case in point. That is an advertisement calculated to make some good housewives nervous and some farmers and suburbanites sit up and think for a space.

That is just what it is intended to do, and burglary and thieving are not social pastimes or parlor subjects of conversation, but they are very real every-day subjects of thought; they are matters over which society endeavors to exercise the most severe control; yet the burglar and thief ply their trade and the growth of crime keeps pace with the growth and wealth of society.

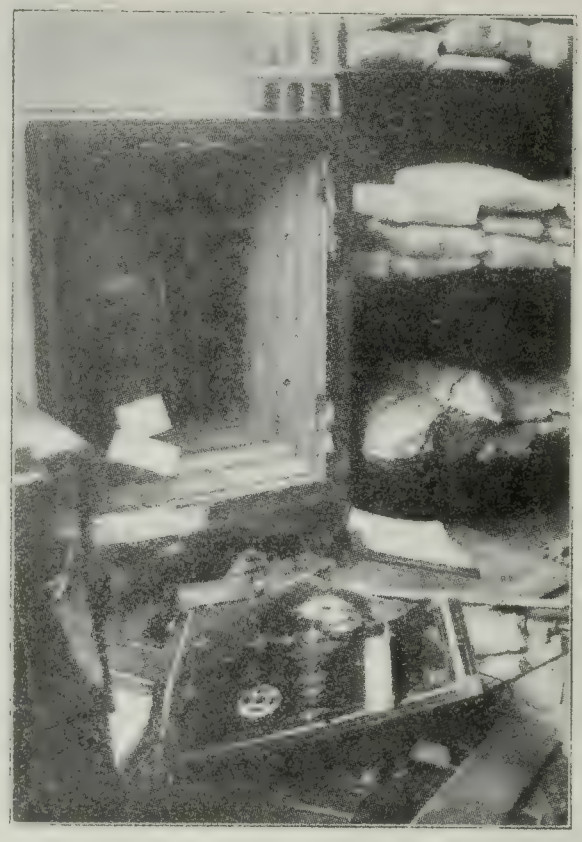
The things a man will fight for and die for are life and property and liberty. As a nation we are unusually indifferent to the safety of all these things. We lose more lives by the negligence of our fellow men than any other civilized nation on the face of the earth. We place fewer safeguards about our lives as a class than any other nation.

Yes, We Do and Yet—

We will kill ourselves to gain property; we will fight to gain wealth, many times sacrificing our dearest emotions and sweetest ideals in the struggle, and when it is obtained we will leave it to the tender mercies of the lawyer, and the tangled skein of our activities to the wit of the courts. We have more law suits involving property than any other two nations extant, and we support more courts and more lawyers than any other 90,000,000 of people.

Our liberty we will talk about, resolute about, write about, and take up our arms for, but we will not take the chance of losing a little time and money that we may protect it at the polls, because we cynically believe that "it will do no good."

We permit the ignorant political freebooter to govern us. These are facts not new to you or me, but stated here to show how deeply



TRAIL OF BURGLARS IN NORTH SIDE LAUNDRY

[illegible]

[illegible] the [illegible] of the average safe. Our armor plate vault [illegible] real protection. Can you afford to take **chances** [illegible] Inspect our Safe Deposit Department.

Are
YOUR
Valuables
Safe
From
Fire?

THE GEORGIA STREET WAREHOUSE FIRE

[illegible] be destroyed by fire at any time. Neither fire nor water can reach [illegible] when stored in the American National's Fire Proof Vault. [illegible]

FIGURE 2

The highest development of safeguards for valuable property
This Company does safe deposit only
Mercantile Safe Deposit Vaults
120 Broadway
Safes $5 to $800 a year

Safes with double locks—key or combination—for the use of executors and trustees
This Company does Safe deposit only
Mercantile Safe Deposit Vaults
120 Broadway
Safes $5 to $800 a year

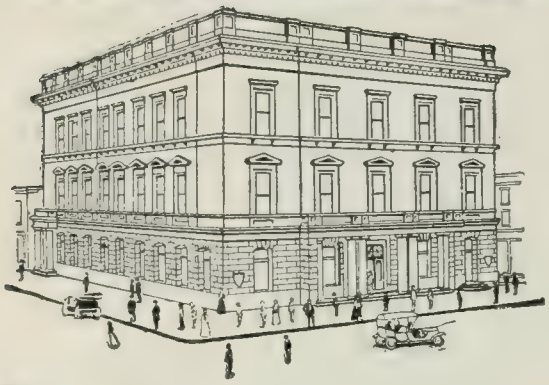
With 37 years' experience and new vaults we provide a superior quality of service
Mercantile Safe Deposit Vaults
120 Broadway
Safes $5 to $800 a year

The most complete protection against loss or destruction of valuable property
Mercantile Safe Deposit Vaults
120 Broadway
Safes $5 to $800 a year

Safe deposit is the best means to safeguard valuables
This Company does safe deposit only
Mercantile Safe Deposit Vaults
120 Broadway
Safes $5 to $800 a year

Modern vaults of the best construction constantly guarded
This Company does safe deposit only
Mercantile Safe Deposit Vaults
120 Broadway
Safes $5 to $800 a year

FIGURE 3



American National Bank Building
(Formerly U. S. Postoffice.)

Are you sure that your valuables are safe

For $5 a year you can rent a private safe deposit box in the American National's massive Armor Plate Vault, thus insuring against fire, theft or accident.

THE AMERICAN NATIONAL BANK OF INDIANAPOLIS

Double-Key Safe Deposit Boxes

The American National's Armor Plate Safe Deposit Vault affords absolute security. All boxes opened by the double key system—the bank's key and the customer's key.
This vault is fire and burglar proof. Boxes $5.00 per year.

THE AMERICAN NATIONAL BANK OF INDIANAPOLIS

THE AMERICAN NATIONAL BANK OF INDIANAPOLIS

Every Big Fire

every report of a burglary, should bring home to you the necessity of keeping your papers, jewelry and other valuables in a Safe Deposit Box in the Fire-Proof Armor Plate Vault of the

American National Bank

American National Bank Building

Formerly United States Postoffice

FIGURE 4

ingrained in our national character is the indifference to protection of property in the individual sense.

The work of regeneration is going on, and some of the things the moral wave of better thinking and a better realization will do are to make people stop and consider. Especially are these things true of the newer communities, but as life settles into definite grooves and the business of living becomes a more serious and strenuous struggle men, of course, commence to consider the trifles and give more care to their selfish interests of the day at hand.

An Example of Scare Methods

Another method of scaring the customer into patronage is shown in Figure 2, which was used in the shape of a card folder and sent out under a one-cent stamp to a list of householders and small business houses after the fire and the burglary.

It always pays to get a photo of the ruins of any big fire where the property loss was large and to see that your possible customers are given a look at the ruins. Reading notices in the papers can be obtained to draw comparisons between the safe deposit vaults and the flimsy "fireproofs" sold to the average business house. Wherever newspapers mention burglaries and rifled "safes" reproduce the clippings in your booklets, back of your letterheads, on folders.

The series, of which I show but six, in Figure 3, issued by the Mercantile Safe Deposit Company of New York, was used in several dailies, given special position and produced results.

In passing I wish to call attention to the bold, plain, strong face of type and solid display. There is something suggestive in them.

The American National Bank of Indianapolis uses a series of advertisements in the dailies (Figure 4) that have some rather striking features; the space used is small, yet the constant change of ruling, the use of the picture of the bank building and the trade-mark, give each one an individuality.

The arguments are one-point and tersely worded in the form of splinters hard to forget or for one to remain indifferent to them.

The Better Grade of Customers

The higher grade of trade, however, is appealed to by the circular letter and the prettily printed folder or booklet. Figures 5, 6 and 11 show how a trust company printed a booklet and illustrated well written copy to attract and hold those who could be expected to want a safe place to place valuables while on vacation and pleasure trips to Europe or other distant points, and how another used a circular letter.

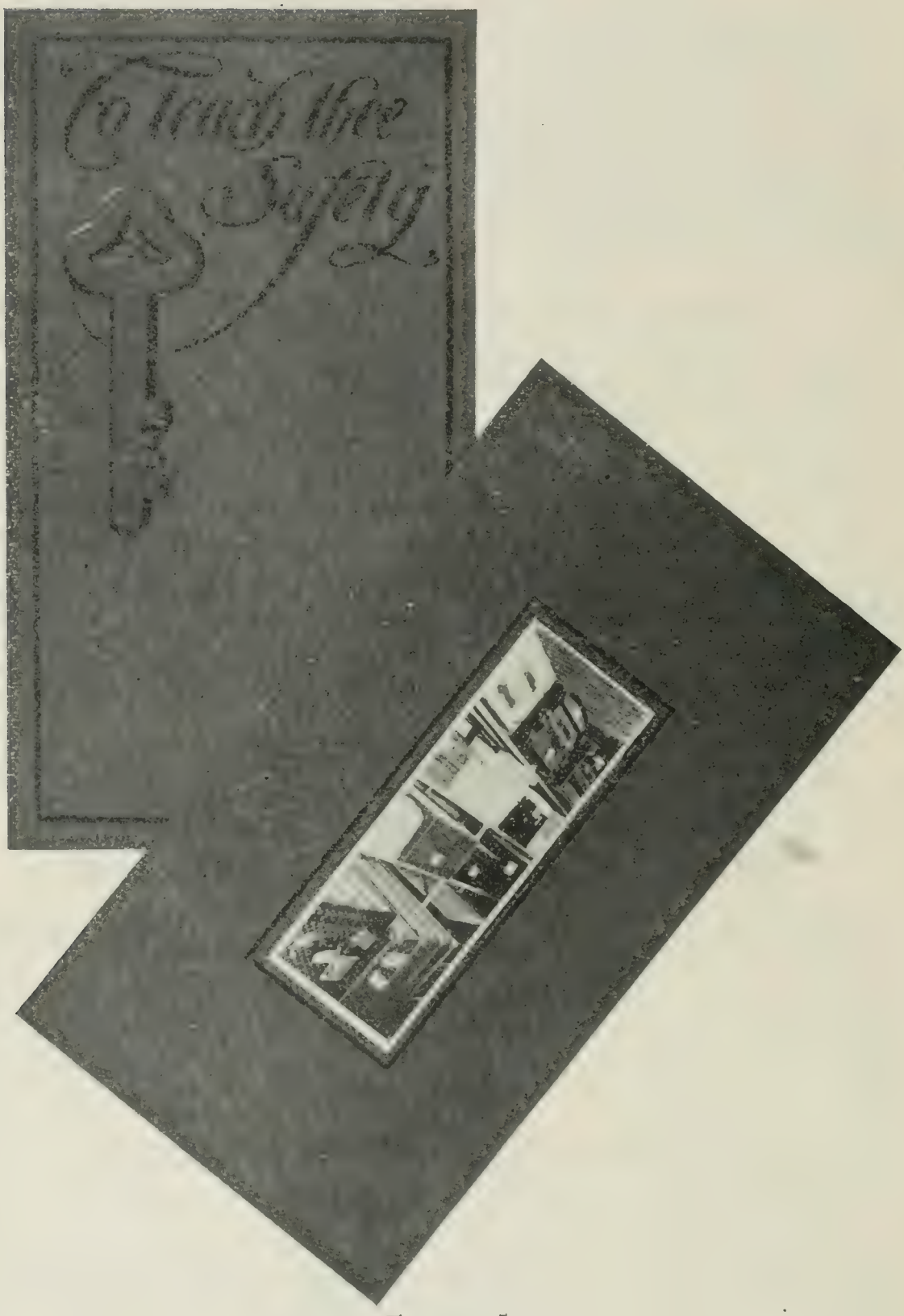


FIGURE 5

WHEN the city
home is vacated,
the comfort of
the housewife is often
marred by thoughts of
danger to the household
treasure from burglary or
fire.
stored.
This vault is particularly designed for the storage of household valuables of every description at all times of the year, but especially in summer. It contains plate, jewelry, paintings, statuary, rugs

FIGURE 6

Newspaper Copy

Numbers of people do not know that some safe deposit companies are prepared to store bulky articles such as trunks, silver, paintings, statuary, etc. It should be remembered that business men do not own all the valuable things that may be stolen. Some women, who have lawyers or confidential advisors in matters of business, have an almost incomprehensible ignorance of the existence of such conveniences. Figure 7 shows what can be done by companies having banking connections. In a city like Washington, where the population is floating, and so many of its wealthiest class come and go, birds of passage, between session and session of Congress, this kind of storage and safety deposit is especially remunerative. This same company uses newspaper space with very telling effect. Some of the copy and style are shown in Figure 8.

When the new vaults are opened there is your chance to get a good write-up in the newspapers.

There is always something fascinating about the burglar and thief and his ways, and in the methods taken to forestall him. Rarely, however, are the stories printed readable because they are written from the standpoint of the manufacturer, who is more interested in describing the mechanical wonders of his vaults than he is in telling of the reasons why the vaults can withstand the skilled cracksmen; or in telling of the great convenience offered the public with something to lose.

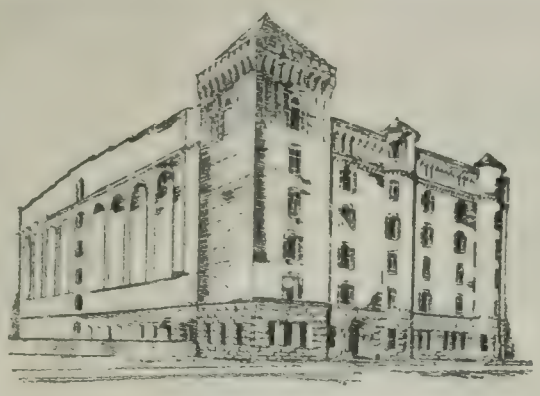
In Figure 9 is shown the style of advertising that is too generally used. This particular vault had some of the most interesting things to be told about it—but read the advertisement. Every one of the features of service should have been made a special feature of an advertisement by itself. The booklet referred to in the advertisement was a very creditable piece of printing, and the description of the many ingenious and clever safeguards and special features was most convincing. (Figure 10.)

The cards shown in the illustration were enclosed with the booklet sent to a selected list at the time the vault opened for business and proved very effective.

Lack of Personality

Throughout all the safe deposit advertising there is a noticeable lack of that personal appeal and understanding of human nature which makes considerable of the better class of financial advertising attractive and interesting.

I recently saw a piece of safe deposit advertising, however, that seemed to be a distinct advance in this respect. It came from the Columbia Savings and Trust Company, Columbus, Ohio, and while not all that



Security Storage Company

1140 15th St. N.W., Washington, D. C.

Cable Address: "Storage," A B C Code, 4th Ed.

FURNITURE WAREHOUSEMEN
PACKERS AND FORWARDING AGENTS

Expert and Responsible Packers Sent Anywhere. They will Save You Money

Furs, Rugs, Curtains, Uniforms, Clothing

If properly cared for the life and beauty of furs, rugs, etc., can be preserved for a lifetime. Dry Cold Storage protects from moth, preserves the softness and flexibility of furs and the colors of fabrics.

PROTECTION FROM MOTH, THEFT, FIRE, DUST AND WRINKLE

Jackets, fur sets, coats, valued at $50 or less, for 6 months . . $1.50
Additional valuation, $1 per $100

Illustrated descriptive booklet and price list will be mailed on request.

UNDER FEDERAL CONTROL JUST THE SAME AS A NATIONAL BANK

This Company is under supervision of the U. S. Comptroller of the Currency.

Capital, Surplus, Undivided Profits and Stockholders' Liability . . **$7,825,744.00**

Absolute Safety for Deposits and 2 per cent. Interest

American Security and Trust Co.

N.W. Cor. Fifteenth Street and Pennsylvania Avenue

Opposite United States Treasury

Inquiries regarding the Banking, the Trust, the Real Estate, or the Safe Deposit Departments are cordially invited. An interesting booklet will be sent on request

CHARLES J. BELL, President

FIGURE 7

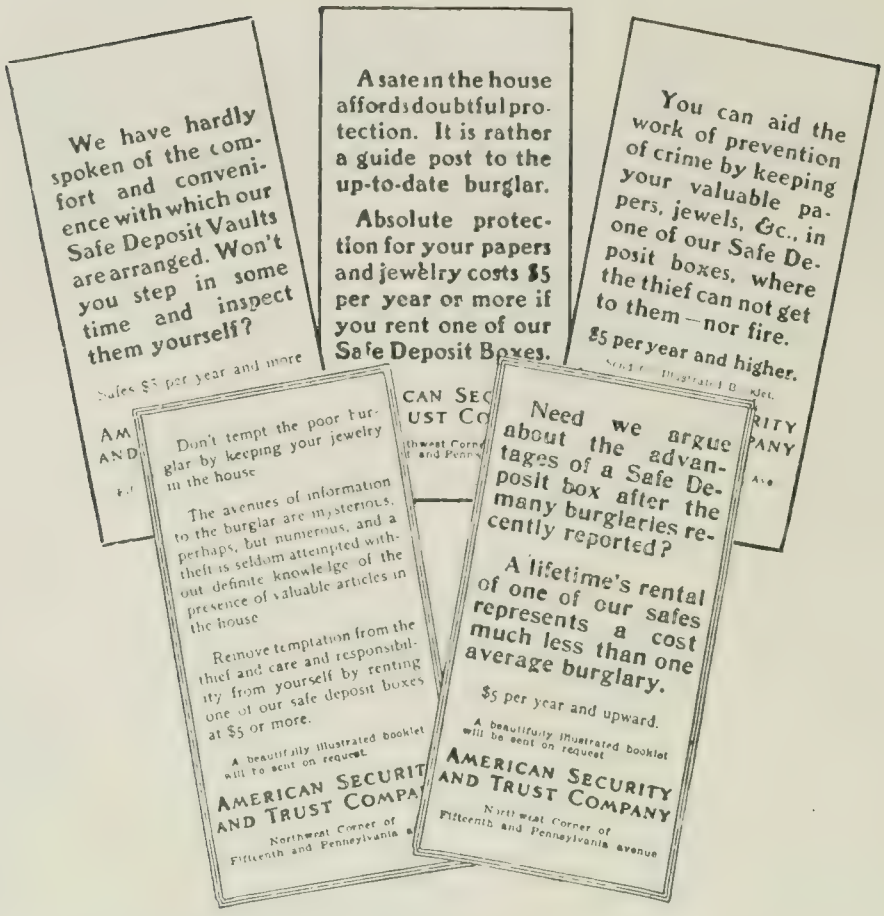


FIGURE 8

M John Johnson

This card, when accompanied by $ 1 00, will entitle the person whose name appears above to the use of one of our modern Safe Deposit Boxes in our Fire Proof Vaults, for the term of 14 months from this date, if presented not later than Nov. 1, 1908

We have but a limited number of boxes for rent, and we take this means to offer our friends the first opportunity of renting one for a nominal sum.

PEOPLE'S SAVINGS BANK

Nevada - - Iowa

No. 118 Not Transferable

FIGURE 8–B

better printing might have made of it, the story was much above the average. It reads:

Columbus (Ohio) Trust Company

Since first the great problem, to have and to hold, was propounded to mankind, there has been a relentless struggle to possess and a ceaseless battle to retain. This warfare has existed for untold centuries as long as man moves and has his being. To the solution of the latter part of this problem and as the result of years of thought and concentration we have the present Safe Deposit System.

The modern Safe Deposit Vault is the result of evolution beginning coincident with the creation of property rights, when prehistoric man first found that a certain club, stone, herb or thing had some virtue or value to him he annexed the same to his person or state, thus creating a property right to the thing. As the value of the thing itself became known and was in turn appreciated by others, then the desire to maintain inviolate, as his very own, became more and more insistent within him. To accomplish this, things of value were hidden away in secret places, a hollow tree, or a cleft in a rock, secretly and zealously guarded, and from this beginning might be traced the modern Safe Deposit System.

As centuries passed improvements for safe keeping kept pace with the advancement of civilization. In ancient Egypt the pyramids afforded security for those of royal blood. Others burrowed in the earth or hid in secret recesses, in castles strong, the fruits of conquest, for might still rules the world.

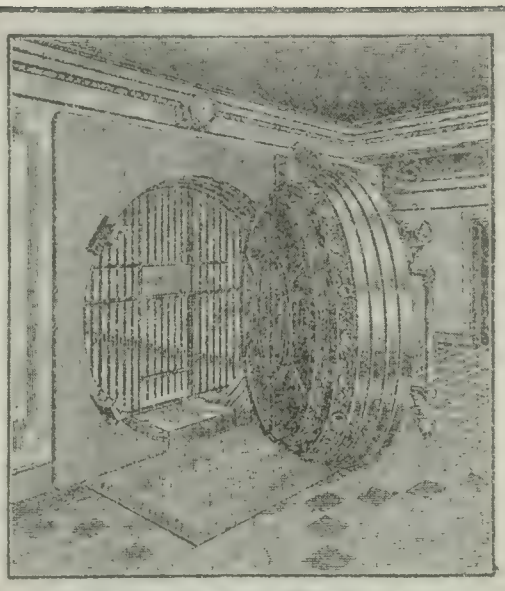
In the days when Rome was in the zenith of her power the plan co-operative protection was first evolved. In strong chests stored in buildings guarded by a selected soldiery, was afforded protection as against the Romans themselves, but, alas, in an evil hour, to them, an invading army from the far North, all powerful and all conquering, sweeping everything before them, sacked Rome, and retired with the treasurers that were centered there. Thus the march of civilization was retarded and a blow dealt the co-operative treasure vaults from which it took centuries to recover. Many plans were adopted in the interim. Recourse was had to witch-craft and sorcery, but only to find that some one bent upon securing wealth without honest labor feared neither witches, curses, or law. The first decisive upward step was the strong box of the earlier period of the nineteenth century, itself a surviving remnant of the Roman idea and quickly followed by the iron safe. In all these things the cupidity of man and his greed to acquire dishonestly has always more than kept pace with the ability of safeguards.

Until the present day, when a revival, in a measure, of the Roman co-operative plan, coupled with the inventive genius of modern civilization has produced the drill proof, chrome steel, fire, mob, and burglar proof safe deposit vault of the Columbus Savings & Trust Company, it is a long stretch from the skin-clothed biped prehistoric man, to the present age, but a comparison of the primitive methods of our immediate ancestors with modern equipment of the Safe Deposit Department of the Columbus Savings & Trust Company is equally amazing. It is truly difficult to comprehend and appreciate the wonderful strides in safe-keeping devices produced in recent years.

Our vaults are the best in equipment and convenience, the highest type that modern ingenuity has yet devised. As an additional precaution they are guarded day and night.

These vaults are located in the magnificent new edifice erected by the Columbus Savings & Trust Company at the corner of High and Long Streets, Columbus, O. This structure, twelve stories in height, of the most modern fire-proof construction contains the banking room of the company, said to be among the first in the country, and three hundred and forty-nine offices.

Every safe deposit patron carries his own key and keeps his own counsel. As an additional precaution, he cannot open the safe which contains his safe deposit box until first the master key, in the hands of an attendant, releases the



Main Entrance Door With Time Lock

Of the Penobscot Safe Deposit Vaults. It is twelve and one-half inches thick, and, though weighing fifteen tons, can be moved, when open, with one hand. It is controlled by a Yale four-movement time lock. An important device controls the action of the automatic motor, making it necessary to unlock a combination before the bolting mechanism can be unlocked.

Protection Against Fire and Thieves

IS SECURED FOR ALL VALUABLES PLACED IN THE

Penobscot Safe Deposit Vaults

PENOBSCOT BUILDING

FORT ST. WEST DETROIT, MICH.

Every convenience for patrons. Consulting rooms. Rooms exclusively for ladies. Box rent reasonable. Space for storage of large articles. The strongest and best appointed safe deposit vaults in Michigan.

Handsome illustrated book with photographs and complete description free on application, or by mail. Address

Penobscot Safe Deposit Vaults,

DETROIT, MICH.

FIGURE 9

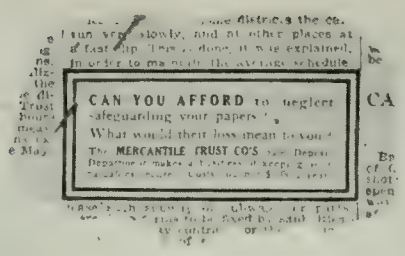
INTERIOR VIEW OF VAULT
INTERIOR OF VAULT
the bolting mechanism can unlock. The imperative necessity for a device of this character was clearly demonstrated by the recent conflagrations at Baltimore and San Francisco. This is the second vault constructed with the incorporation of this important feature. To guard against accident in setting the locks, and breakage of any portion of them, the vault has been supplied with an emergency door, with locks similarly arranged to those of the entrance doors. The main entrance and emergency doors are constructed with ground joints, so that
impenetrability may be termed liquid tight.
It is generally admitted that in this type of vault the ideal of security, toward which human ingenuity has been striving, has finally been attained.
There is space in the vault for five thousand safe deposit boxes. The safe deposit boxes embody every known improvement in construction for security, and are fitted with locks
designed for this vault, possessing
not to be duplicated by
Penobscot Safe Deposit Vaults
PENOBSCOT BUILDING
DETROIT
PENOBSCOT SAFE DEPOSIT VAULTS
PENOBSCOT BUILDING

FIGURE 10

MERCANTILE TRUST COMPANY

SAINT LOUIS

SAFE DEPOSIT DEPARTMENT



Mr. John Smith,

Saint Louis.

Dear Sir:

A man came into our office the other day bringing the above clipping.

He said he could not afford to take chances on the safety of his papers when he could get absolute security for them for $5.00 a year.

You cannot afford to take chances either.

1 1/2 cents a day -- $5.00 a year will insure you against fire, theft or accident. Your home, your office, your safe, may be robbed or destroyed by fire at any time.

Loss is out of the question when your valuables are in a Safe Deposit Box in the Mercantile Trust Company.

Call on us today and rent a box.

Yours very truly,

Amadee W. Raybaud

Mgr. Safe Deposit Dept.

Call and inspect the vaults.
Hours - 9 to 4 o'clock.

FIGURE 11

primary lock; entrance to the vault can only be had in company with an attendant; none but safe renters are allowed in the vault room and only one at a time in the vault. There are no duplicate keys, and no one but the actual renter or his legally appointed deputy has access to his safe.

Safe Deposit Talk

It is a mistaken idea to suppose that it is only the wealthy who need the protection afforded by a safe deposit department. People of moderate means are less able to afford the loss of valuables, than those of larger fortune. Insurance papers, deeds, mortgages, pension papers—anything that would cause serious inconvenience, to say nothing of financial loss, if it were destroyed—should be placed in safe deposit.

Few people appreciate the value and importance of their insurance policies. A lost life insurance policy may be duplicated but only after considerable trouble and at possible heavy expense. A prominent life insurance agent writes as follows:

'Insurance companies have considerable trouble through carelessness of their policy-holders in keeping their policies in insecure places, where they are liable to be destroyed by fire, lost or misplaced. When duplicates of these policies are demanded people are astonished to learn that they must go to the expense of advertising for a long period in the newspapers for the lost policy, and if not found are then compelled to execute a bond in double the amount of the face of the policy before they can get a duplicate issued.'

It is far better to be safe than sorry. A safe deposit box is the best place to keep securely valuable papers, jewels and the like. A safe at your home or at the office is a standing invitation to the burglar. Carefully collected statistics show that 60 per cent. of the portable "fire-proof" safes in Chicago, Boston, Portland and Baltimore fires, and the San Francisco disaster, were a total loss, together with their contents, but not a single Safe Deposit Vault was seriously injured. In the Baltimore fire in 1904 only a very small number of these safes survived. Many appeared in most excellent condition only to find the contents completely destroyed.

One lesson of this great fire is to show how to take care of valuable papers and similar articles of property. There were many papers and valuables stored in the vaults of the different trust companies, in the burned district of Baltimore and San Francisco, but not a single one was lost.

Indifference to a vital necessity cannot be excused on the plea of economy; when absolute protection against fire or loss by robbery may be secured at the small cost of a few dollars per year.

We rent private safes at three dollars per year, larger ones at corresponding rates.

When this security can be had for less than one cent a day it is the height of folly to carry your own risk.

A Safe Deposit Box is the cheapest insurance in the world.

Our safe deposit vault is the largest and strongest in Central Ohio. The vault is of the most modern type and construction; built of chrome steel, it is drill-proof, air and water tight, fire and burglar proof, guarded day and night.

The remarkable part of this booklet lies in the last paragraph, which is the only part devoted to a description of the vault itself.

There is material for a number of folders, newspaper talks and a newspaper special article in this booklet.

Now and then there are clever schemes evolved to start people to using the safeguard deposit boxes and vaults.

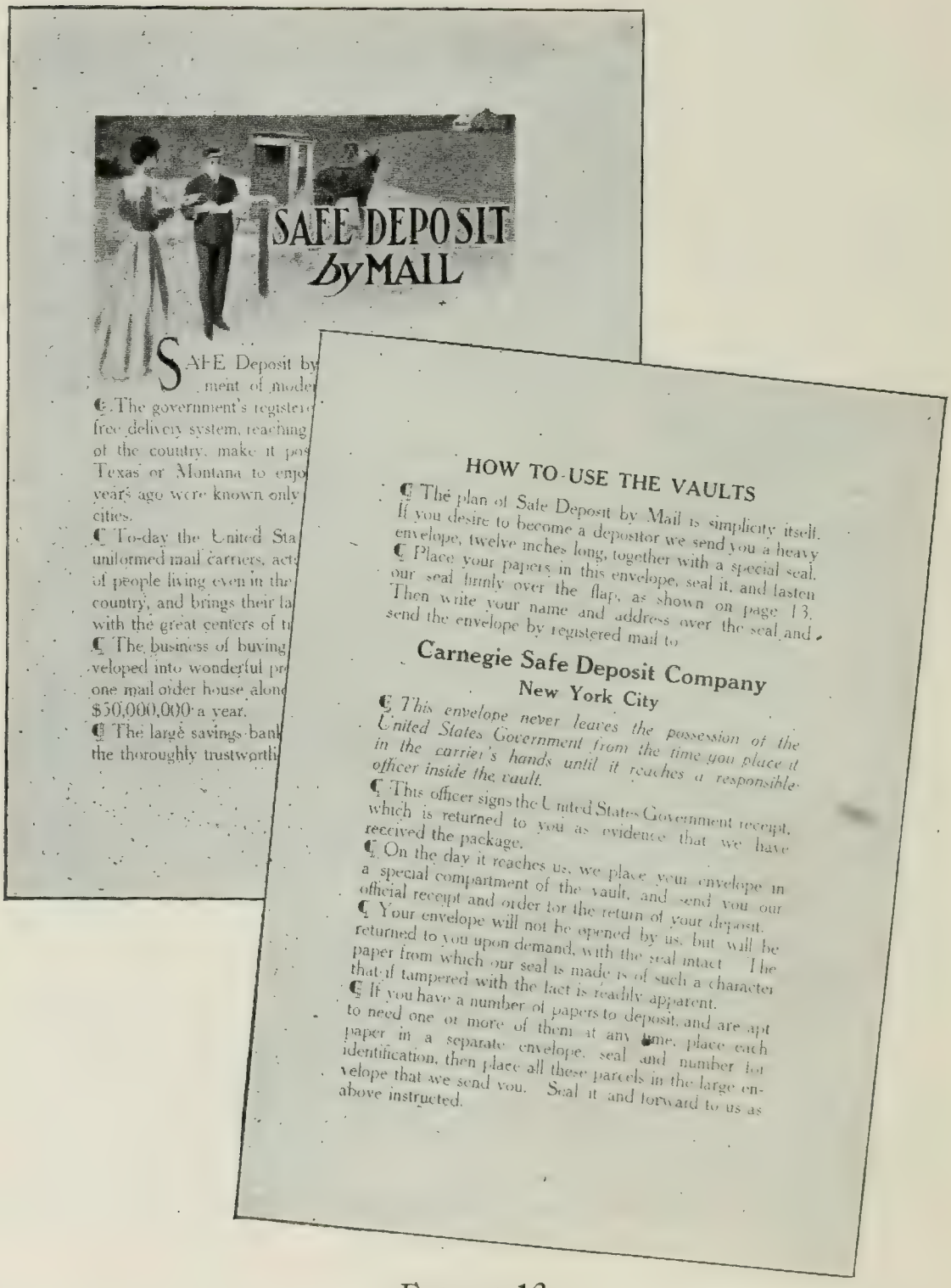

SAFE DEPOSIT
by MAIL
SAFE Deposit by
ment of moder
The government's registe
free delivery system, reaching
of the country, make it pos
Texas or Montana to enjo
years ago were known only
cities.
To-day the United Sta
uniformed mail carriers, acts
of people living even in the
country, and brings their ta
with the great centers of t
The business of buying
veloped into wonderful pr
one mail order house alon
$50,000,000 a year.
The large savings-ban
the thoroughly trustworth
HOW TO USE THE VAULTS
The plan of Safe Deposit by Mail is simplicity itself. If you desire to become a depositor we send you a heavy envelope, twelve inches long, together with a special seal.
Place your papers in this envelope, seal it, and fasten our seal firmly over the flap, as shown on page 13. Then write your name and address over the seal and send the envelope by registered mail to
Carnegie Safe Deposit Company
New York City
This envelope never leaves the possession of the United States Government from the time you place it in the carrier's hands until it reaches a responsible officer inside the vault.
This officer signs the United States Government receipt, which is returned to you as evidence that we have received the package.
On the day it reaches us, we place your envelope in a special compartment of the vault, and send you our official receipt and order for the return of your deposit.
Your envelope will not be opened by us, but will be returned to you upon demand, with the seal intact. The paper from which our seal is made is of such a character that if tampered with the fact is readily apparent.
If you have a number of papers to deposit, and are apt to need one or more of them at any time, place each paper in a separate envelope, seal and number for identification, then place all these parcels in the large envelope that we send you. Seal it and forward to us as above instructed.

FIGURE 12

DID you ever realize how dangerous it is to have your will, the deed for your home, your insurance policies, stock certificates, bonds; your private letters and other valuable papers stowed away in bureau drawers or old trunks?

They are not safe a minute from fire, from thieves—or from the prying eyes of those who have no right to see them. Can you afford to take such risks?

The Carnegie Safe Deposit Company

of New York offers you the security of the largest and strongest safe deposit vaults in the world—and the United States Government undertakes to be your messenger through its registered mail and rural free delivery service no matter where you may live.

In other words, the absolutely safe and speedy mail system, reaching into every nook and corner of the country, makes it possible for **every** man and woman to take advantage of these great armor plate vaults for the safe keeping of valuables.

[illegible]

Carnegie Safe Deposit Company
U. S. Realty Building, New York

SEND YOUR VALUABLE PAPERS TO

·THE·SAFEST·PLACE·IN·THE·WORLD·

The United States Government's Registered Mail Service puts the largest and strongest safe deposit vaults in the world next door to every nook and corner of the country. Have you

A DEED—A MORTGAGE—INSURANCE POLICIES—BONDS—PRIVATE LETTERS—YOUR WILL

or valuable papers of any kind lying about the house or office? They're not safe—you are in danger of losing them every minute. You can't afford to take the risk. Safe Deposit By Mail is perfectly simple and practical. It is absolutely safe and secret. It is as convenient as though these great vaults were in your own town. And it is very inexpensive.

[illegible]

·CARNEGIE·SAFE·DEPOSIT·VAULTS·

Cedar St. and Broadway, New York, N. Y.

FIGURE 13

Carnegie Safe Deposit Company

CHARLES C. DICKINSON, PRESIDENT
FRANK D. HEARN, VICE-PRESIDENT
J. C. ZIEGLER, SECRETARY
OLIN W. HILL, TREASURER

CABLE ADDRESS: EIGENRAC

MAIL DEPARTMENT
P. E. FANSLER, MANAGER

NEW YORK, June 15, 1908.

Dear Sir:-

It is estimated that more than five thousand valuable papers and documents were destroyed in the recent fire at Chelsea, Mass.

Many of these documents can never be replaced, and their destruction entails heavy financial loss to the owners.

A loss that might easily have been avoided.

Are your valuable papers, private letters, etc., in danger today?

The only real safety for property of this sort is in a strong safe deposit vault where neither fire nor burglary, nor loss of any kind can overtake them.

You have our booklet describing our simple plan of Safe Deposit by Mail.

The cost is only $2.00 a year, so little as to be scarcely worth thinking about when the safety to property is considered.

For fear you may have lost the card we sent you some time ago, we are enclosing another.

Will you not sign and return it to us?

Very truly yours,

P. E. FANSLER,

Manager Mail Department.

PEF-LWA.
Enclosure.

FIGURE 14

P. E. FANSLER
115 BROADWAY
NEW YORK

July 1, 1908

I have written to you several times as manager of the Mail Department of Carnegie Safe Deposit Company, but have received no reply.

As this whole plan was originated by me I am keenly interested to know just how it appeals to the man who has valuable papers, and has no access to modern safe deposit vaults.

I will personally esteem it a favor if you will answer the following questions:

First--Upon careful consideration do you realize the danger of keeping valuable documents about the house--a universal custom throughout the country?

Second--Does the plan of Safe Deposit by Mail appeal to you as solving the problem?

Third--Can you suggest any way in which I can make the department better serve the the interests of its clients?

Thanking you for the courtesy of an early reply, I beg to remain,

Yours very truly,

P. E. FANSLER.

PEF-LWA

FIGURE 15

Other Methods

I referred in another part to the trust company that sent out thousands of tin boxes of a size to hold the regulation insurance policies, to a list of business men, home owners and prominent people.

These tin boxes were the long, narrow, flat boxes you know. The boxes were distributed by the delivery companies of the city, and each one contained a little note that said the box was free, what it was intended to be used for, and offering to take care of it and any papers, policies the recipient might want to place in it, for $1 a year.

It brought a large number of new customers and it created a lot of new business, which is the true test of good advertising.

After the distribution the company then took the testimonials from life, fire and accident insurance agencies, testifying to the value of the idea and how important it was to be protected, printed them in a booklet and gave it generous distribution, offering to give a tin box to any one who wished to use one for the purpose.

H. B. Craddick, Nevada, Iowa

The little banker frequently can use the device of Mr. H. B. Craddick, Cashier of People's Savings Bank, Nevada, Iowa, who sent out the card shown in Figure 8B, and says:

> I made up a mailing list of about two hundred from my ledger and certificate register of people doing business with our bank, and therefore the ones I might reasonably expect to interest in the proposition.
>
> Out of the first list, I rented about fifty-five within two weeks. At intervals since, I have mailed out other cards to other selected lists in about a like proportion to the number of boxes remaining, until, at this time, I have but a very few left.
>
> I consider that this plan has been more effective than a space ad in the newspaper and the results have been immediate, and I have rented my boxes to our own patrons.
>
> I have also learned that the public must be educated to the use of a safe deposit box in the same manner that they must be urged to open a bank account. The card gives them an excuse to make an inquiry, which affords us an opportunity to explain all the advantages of having a place to keep their valuable papers.
>
> It may be that some of your readers who have some empty boxes on hand can make use of the suggestion.

Mr. Craddick hits the nail on the head when he makes the discovery that people must be educated to use safe deposit boxes and safety storage, just the same as they must be educated to use the bank and the trust company.

Mail-Order Idea Invades This Too

The Carnegie Safe Deposit Company, New York City, early in 1908 introduced a new wrinkle in mail order business—the safe-deposit-by-mail idea. The advertising has been appearing in all the leading monthly

and weekly magazines. The argument is attractive: the idea founded on a knowledge of human nature. It should be a success. It will probably take time, however, to get people to believe in it.

Privacy

The private papers, such as wills, papers of great personal interest and value, and some kinds of business papers are the character of documents that the average man cares little about having near him where many may see them.

Most of us have secrets.

This plan of a distant hiding place is appealing.

Many of us have no good place, guaranteed against fire, dampness, burglary and other things of the sort—wherein to put our great or little things of value.

To such the idea appeals.

The booklet of course is an obvious method, and Figure 12 shows a booklet well printed and furnishing the usual stock arguments. The advertisements appearing in the magazines have not been very remarkable, either in design or wording. The advertisements shown in Figure 13, are good, straight-forward announcements.

What I Want to Know

Figure 14 shows how the manager seized a calamity like a fire to bring home to his list of prospects the danger of keeping valuable papers in the house.

After following up the prospect for some time the manager sent the letter shown in figure 15. There is an attempt to make a personal appeal which is a curious mixture of two points of view.

I submit, in answer to the questions

1. Apparently I do not see anything in the argument or I should engage a box in the safe deposit vaults.

2. Apparently I see nothing in the safe-deposit-by-mail idea—as I have not acted.

3. Being a layman I hesitate to teach you your job.

The thing I am interested in—What and how do you protect and help me?

That is the thing I want to know. Ask me the questions that will bring out how you can do that—but do not ask me why you haven't done what you set out to do.

CHAPTER XXXV

IN TIMES OF PANIC: A FEW WORDS IN CONCLUSION

THE LESSONS OF 1907-08—THE FIGHT MADE TO MAKE THE PUBLIC UNDERSTAND—NEWSPAPERS ENLISTED—LET INTO THE INNER COUNCILS—ANDREW CARNEGIE AND WALL STREET—WHAT THE PUBLIC NEEDED—THE NEW YORK JOURNAL—ADVERTISING DURING A PANIC—HOW A RUN STARTED—FAITH PRODUCING ARTICLES—FEATURE THE GOOD NEWS—THE LESSONS HALF LEARNED—THE NEW LAWS—PEOPLE CREATE PANICS—THIS IS A DEPRESSING BOOK—LET WELL ENOUGH ALONEISM—THE LESSONS OF THIS BOOK—THE INDIVIDUALITY OF SUCCESS—THE MISCONCEPTION OF ART—ART MUST BE SINCERE—NOT A BRIEF FOR THE ADVERTISING MAN—THE CLOSING LESSON

ANY BANKER who went through the money stringency of 1907-08 and did not come out of it with a higher opinion of the power of printers' ink, no matter what his individual experience, has little brains or is lacking in the comprehension of a Hottentot.

If he saw anything, understood anything, he saw and understood that the press of the country had rallied to the support of the banks, and had stemmed that tide of ignorant fear which threatened to engulf business.

But that great task was not accomplished by a mere happen-chance of fate.

Mr. Morgan Did Not Do It All

It wasn't Mr. Morgan and his coterie of bankers who did it all.

It wasn't Mr. Morgan who quieted the man in the street and prevented him from asking for his money.

It was the newspapers of the country.

They did it, and they gave effect to the yeoman work that group of financiers were doing by centering men's minds on the *truth of the situation.*

They never let up on that.

The great Goethe said truly, "Truth must be repeated over and over again, because error is practiced not by individuals, but by the masses."

Refer to my paragraphs on the crowd in a former chapter for a discussion of this point.

The masses are the fearfully potential power in this country and the power before which the banker is absolutely helpless, if he continues to practice his attitude of aloofness towards the press.

The recent panic promised a long siege, but in reality it lasted about thirty days, because the bankers and the newspapers got together.

That was the good that came of the ill wind. It has done thousands of bankers inestimable good, and has opened the eyes of some newspaper editors to the fact that a banker had something else to do than to make a profit on other people's money.

Newspapers Were Let In

The newspapers were let into the inner secrets of the financial leaders, were told the *truth* about the money situation, and then were told if they printed scare heads about failures, made foolish speculations and "shrewd prophecies" about the worse things coming, they could rest assured that New York would have one of the worst money panics it had had for a generation.

On the other hand, they were told if the newspapers would co-operate, by being optimistic and cheerful, and take a sane, sensible view of the *facts* of the case, the confidence of the people would be restored and the issue would be fought to a quick success.

There are always a thousand tongues to herald a failure, but success is taken as a matter of course.

There are individuals who like to pose as wise oracles—foretell things after they have happened, or to fly like carrion vultures to a corpse, crying their find that the world may join in.

So in October, 1907, New York's vultures blackened the sky with their flight and filled the air with their din. The result was inevitable—the masses, individually knowing things were not unsafe, but with the fear of what might be in their hearts, stormed the doors of a few of the largest concerns in the city. The group of men back of the largest institution was not strong enough, and their offering of a *quid pro quo,* it is generally understood, to other and stronger groups was not large enough, so their company had to go to the wall.

As this is being written the vultures are busy with the carcass.

Again the Newspapers Did Their Duty

On top of the closing of the doors of this institution the newspapers sprang into the breach and commenced to preach faith, good times, safety of business and all the catch phrases of elementary optimism. Failures went unrecorded—when a concern shut down the news was suppressed; labor conditions were forgotten, hard times crimes cut out, all the gloomy news of hard luck and hard times was given but a line or two, and the columns were given up to the campaign of optimism and truth, to sell the

Tribune.
MONEY POURS INTO WALL ST.
Government, Financial Institutions and Capitalists Co-operate in Relief Measures.
DEMORALIZATION IN STOCKS CHECKED.
World.
READ TO-MORROW
IN SUNDAY'S WORLD
"Circulation Books Open to All"
NEW YORK SATURDAY OCTOBER 26 1907
RLD FINANCIERS AND OFFICIALS DECLARE
UATION SOUND AND URGE PUBLIC TO TAKE COURAGE.
Savings Banks Solid, Says President of the Bowery.
MEASURES ADOPTED TO SAVE THE SITUATION; THE CRISIS NOW PASSED.
Clearing House Association Decides to Issue Loan Certificates, Thus Reserving for Business Uses and for Any Possible Emergency the Stores of Cash Held by the Banks.
ALL SAVINGS BANKS UNITE IN REQUIRING SIXTY DAYS NOTICE.
The Sun.
ALL COMERS PAID ALL DAY
Evening Sun.
NIGHT EDITION
PRICE ONE CENT.
CLEARING HOUSE CERTIFICATES
Association Decides to Issue Them at Once.
ALL BANKS NOW SECURE
CRISIS IS NOW OVER
Return to Normal Conditions.
CALM PREVAILS
'Situation Is Saved,' Says President
MILLIONS EASE THE MARKET
Morgan Syndicate Sends $25,000,000 to Stock Exchange
AND STOCKS RISE AT ONCE
ork Times.
THE WEATHER.
LORD ROTHSCHILD'S TRIBUTE TO MORGAN
Enthusiastic Commendation of the Course He Has Taken in the Pending Crisis.
WORTHY OF HIS REPUTATION
CERTIFICATES UNNECESSARY
BANKERS CALM; SKY CLEARING
The Measures Taken by Morgan and Cortelyou Are Showing Good Results
The Evening Telegram
EVENING EDITION
PHANTOM WIRES WILL BE FOUND ON Next to Last Page
PRICE ONE CENT
NEW YORK, SATURDAY OCTOBER 26, 1907 - EIGHTEEN PAGES
BANKS AGAIN NEARLY NORMAL; BOOM PREDICTED BY MONDAY
Stock Market Opens Confident and Strong and Many Advances Are Early Recorded.
$10,000,000 OF GOLD IMPORTS TO BE ON HAND HERE IN FEW DAYS
Clearing House Deliberates Over Certificate Plan—Stillman Says Situation Is Saved—Runs Have Subsided.
CARNEGIE SAYS CRASH WAS DUE
TIGERS IN TEST GAME AT ITHACA
ON GUARD!
CARTELYOU
MORGAN

FIGURE 1

people and make them use the ready-made optimism and good cheer. Bankers and newspapers realized this had to be done before the situation would mend.

It was not artificial news nor an artificial condition. The country was all right, business was all right, crops were all right, but people were all wrong, scared to the point of panic by an out-of-order condition—"made to order by those who wish to profit the most by the result."

Was It Made to Order?

I am not prepared to say that the panic was made to order by a certain clique, but certain it is that conditions were ripe in the market the latter days of October for a bear clique to gain the most from a tremendous shortening of the money supply. While the result was a lessening of the money supply by a forced liquidation, yet it seems to be the general opinion that the liquidation was among banks and professional traders.

The public was not directly hurt, but their hurt came afterwards.

It was a startling object lesson to business men and the people, however, in the powerful influence exercised over the market by the purely speculative side of it.

Mr. Andrew Carnegie, it is said, has never invested a dollar in the market known as Wall Street. He has built his fortunes on the solid ground of values, realities and productive energies. Mr. Carnegie, at one time during the panic, significantly said:

> It is a good day for the country when gamblers and speculators come to grief. I wish I could invent a plan whereby both sides would come to grief. I never made a dollar on the Stock Exchange in my life. Let me speak for the business men of the country. Wall Street is not America. Speculation is a parasite feeding on values and creating none. I think it about time we business men should decline to recognize men who make money without rendering some value, either in service or giving something in exchange or in manufacturing something.

Such talk had a very salutary effect on the conservative and careful business man, who not being in the heart of things, was anxious to know what was really going on.

Words the Public Needed

These were the kind of words the public needed. The people were frightened; you could see it in the faces of the passersby, in the preoccupation of friends, hear it in the conversation on street cars and in cafes.

Fools and knaves were abroad with their gossip and lies, but the newspapers came out with edition after edition, fighting and smashing at error.

THE SEATTLE POST-INTELLIGENCER.

LINER EMPRESS OF CHINA SINKS WITH BIG CARGO

WASHINGTON SHORT LINES FILE, REPORT

MAN MURDERED, TWO WOUNDED IN SALOON ROW

ROCKEFELLER IS NOT AFRAID OF GOTHAM BANKS

THE OMAHA SUNDAY BEE

THE OMAHA BEE Best in the West

HEPBURN ON SESSION

OMAHA ONLY GAINER

WEST IS ALL RIGHT

The Kansas City Journal.

PERSISTENT SLANDER AND PUBLIC CREDULITY CAN CLOSE THE DOORS OF THE SOUNDEST BANK

NOTED ACTRESS KILLS HERSELF

TWO MEN SHOT IN STATE HOUSE

CRISIS OVER, BANKERS SAY

RUMORS WRECK SOLVENT BANK

THE SAN FRANCISCO CALL

Ryan Ca

Banks of

FLURRY FAILS TO DISTURB TRADE

With One Exception the Banks Are All Open

California Safe Deposit Expects to Resume Soon

Financiers Say End of Stringency Is in Sight

City Banks Do Usual Business and Situation Brightens

He's the Man That's Responsible for the Trouble

Federal Government to Put $30,000,000 More in Circulation to Aid Business Activity

Golden Wave of $23,750,000 Soon Will End the Recent Coin Stringency in the Eastern States

—Courtesy of Appleton's Magazine

FIGURE 2

It should be made a felony with a prison sentence, it seems to me, to willfully and wantonly circulate a false rumor attacking the credit or condition of any financial institution. I have as much faith in my fellow beings as the next man has. I believe in their innate honesty, but no competitor of mine should be tempted to say that "he had not heard of there being any run on my bank" when no one had asked if he had heard of such a thing.

A panic starts, as a run starts, from a very little thing, often insignificant and frequently unintentional, but some one talks too loudly or does not understand, and the result is a run, which may spread into a panic.

Examples of Stand-Pat Copy

On other pages, Figures 1, 2 and 3 show what the newspapers not only of New York City, but of the country generally, did to save the day.* The story of those headlines needs no comment.

The interior cities handled the matter in much the same way. Editors sent their men out on the street with instructions to get *good* news. The editorial writers called on bankers, sat in bankers' conferences, in conferences with business men and caught the spirit of the fight, which was to save the public from its ignorance, to make it realize what it really knew were the facts; i. e., that the country was solvent and of a right was never more prosperous.

What could the bankers or business men have done without the papers?

Very, very little.

When the united press of a city, without a single solitary exception, starts out to actively fight a condition or an error, that condition or that error has to submit.

Here is a typical instance of the advertising that won.

The *Journal* (New York) placed this leader on the front page, signed by the proprietor, Mr. Hearst:

"The New York Journal"

To the wise no word is necessary. Men of knowledge understand full well that the country was never more prosperous and that a panic in the midst of such unexampled industrial and commercial activity as this nation has recently enjoyed and still enjoys, is a grotesque absurdity.

The reasoning of those persons who are now participating in runs upon perfectly solvent banking institutions is on a par with that of those citizens who

*I wish to make acknowledgment to Mr. George C. Lawrence's "How the Truth Saved the Day," from "Appleton's Magazine."

—Courtesy of Appleton's Magazine.

FIGURE 3

120%
for deposits in
TRUST COMPANY OF AMERICA
on all orders placed to-day, Friday, October 25.
110% on all orders placed Saturday, October 26th.
100% Monday, next week, next month and next year
All checks accepted without recourse
We stand in our line where J. P. Morgan, First and National Bank of Commerce stand in the banking business.

LAWSON.

He advised drawing your savings on August 16 to buy Amalgamated at 70, to-day he advertised he did not know what to do.
If you had bought one share of stock on his advice pyramided all his tips and had 1 million dollars to protect you you would be broke, but if you had coppered all his tips and pyramided, starting with a hundred dollars capital, you would be worth a million. Amalgamated sold to-day as low as 41½ buy clothes.

John J. Kelly & Co., Tailors,
N. W. Cor. Broadway & Cortlandt.

It Is Important

IN these days of financial uncertainty to have your money deposited in a strong and conservative Banking Institution.

OUR Capital, Surplus and Stockholders' liability of $5,500,000 and total resources of $25,000,000, insure beyond question the stability of this Trust Company.

YOUR deposit with us will not only be absolutely safe but will also draw a profitable rate of interest.

WE cordially invite you to call and talk this matter over with any of our officers.

City Trust Company
50 State Street, Boston

OFFICERS
PHILIP STOCKTON President
CHARLES D. ADAMS 2d Vice President — ASTRUP B. ADAMS Vice President
ROBERT W. GRANT Treasurer — GEORGE A. MUNFORD Secretary
CHARLES P. BLIND Jr. Asst. Treas. — P. D. HALCYNTON Asst. Secy
FRANK C. NICKOLS Asst. Treas. — G. FARRAR SHAW Jr. Asst. Secy

Astor Trust Company
FIFTH AVE & 36TH ST NEW YORK
CAPITAL & SURPLUS $1,400,000

The ASTOR TRUST COMPANY, having succeeded to the business of the Astor National Bank points to a continuous record of successful management for more than forty-four years. The oldest banking institution above 23d St. The affairs of the company are under the guidance of a board of directors composed of representative and successful men, very largely experienced bankers of known reputation and standing. Directly connected with influential Clearing House banks.
The facilities we afford our customers are only those which can properly be offered by a strictly conservative management, but at all times each customer may be sure that every consideration will be given to his particular requirements.

DIRECTORS
MANSHIP ALTMAN — EDWIN W. PERKINS
JOHN JACOB ASTOR — WILLIAM W. PORTER
LEO P. BASKA — NEWBOLD PRESCOTT
JEFFREY BANER — WILLIAM RIGGS
LEO B. CASE — WILLIAM ROBINSON
THOMAS CORSAN Jr. — ARCHIBALD D. RUSSELL
E. F. CONVERSE — ALEXANDER M. SIZENS
B. F. DAYTON — JOHN P. THOMPSON
JOHN DOWNEY — CHARLES L. TIFFANY
BARRINGTON E. FAYTAT — THOMAS W. LAMONT
ROBERT WALTON LORIER — EDWARD MORTON
EDWARD MORTON

OFFICERS
F. C. COATSWORTH President — THOMAS CORSAN 1st Vice Pres.
ALEX. M. SIZENS 2d Vice Pres. — JOHN W. PATTERSON Treasurer
NEWBOLD PRESCOTT 2d Vice Pres. — EDWARD MORTON Sec. & Asst. Treas.

New Netherland Bank
OF NEW YORK

Is a commercial bank in the truest sense of the word, conducted by business men on sound, efficient, business principles, for men and women who like to do business on a business way.
It is an institution distinct and complete in itself, controlled and managed solely by its own directors, with no outside affiliations whatever.

NEW NETHERLAND BANK
of New York
41 West 34th Street — Near Broadway
ELGIN R. L. GOULD Pres. — JOHN P. MUNN, M. D., Vice-Pres.
J. ADAMS BROWN, Vice-Pres.
CURTIS J. BEARD, Cashier — JOSEPH T. VAN LOAN, Ass't Cashier
INTEREST ALLOWED ON DEPOSITS

Pay Checks Are Good

Deposit them with this bank and check against your account to pay your bills.
You will receive the courteous consideration which is characteristic of this bank whether your pay check is large or small.
A paid capital of $4,000,000 and an earned surplus of $2,100,000 insure the safety of your deposit.

Mellon National Bank
514 Smithfield St. 409 Fifth Ave.

The Banking Situation
is a subject of particular interest to the general public at present.
Our Officers are devoting their services to all seeking information.

COLONIAL TRUST AND SAVINGS BANK
Capital and Surplus $1,100,000
203 LA SALLE STREET

The Investor's Opportunity Is Now

Financial news of the past few weeks calls for cool calculating judgment. It is no time for pessimism.
No effort has been a forced sale of investment securities at lower prices than have prevailed for years. Some men want money, so the men with funds in position to get big value for his money. In other words, we believe the present are bargain days.
In all this turmoil the physical security of bonds has in no way been impaired. The properties securing bond issues are in operation and making money. If this country is to exist our municipal bonds must be paid, our railroads must live and our cities must be lighted. Financial panics have started as before but municipalities were not disorganized and the railroads and corporations supplying public service kept right on doing business.
We believe we are now emerging from a money panic. Securities are low in price but good securities are as safe as ever.
It is our belief that if you have any uninvested funds you can make safe and profitable use of them in the purchase of well selected investment bonds.
Our list of bonds affords an excellent selection. We have made the prices consistent with the times.
HIGH GRADE MUNICIPAL ISSUES now net 4.25% to 5%—formerly 5.60% to 5.00%.
SEASONED BONDS OF PUBLIC SERVICE CORPORATIONS 6.30% to 6%—formerly 6.70% to 5%.
We have two issues of RAILROAD BONDS that are especially attractive. The bonded debt of one is 66% of the cost, the other 60%. Both are sinking fund bonds.
A line to us stating which you prefer—either Municipal Bonds, Railroad Bonds or Public Utility Bonds—will bring you a few timely investment suggestions.
We suggest a personal interview. Ask for circular No. 801.

E. H. Rollins & Sons
BANKERS
(Established 1876)
238 LaSalle St., Chicago
BOSTON — DENVER — SAN FRANCISCO

A Public Demand.

THERE is a growing demand for higher ideals in the management of moneyed institutions; financial honesty is the demand of the hour.

TO meet that demand is the steadfast policy of this institution.

Home Trust Company
of New York
20-22-24 Vesey Street.
(Near Broadway)

Checks and Certificates of Deposit of the
Knickerbocker Trust Co.
And Other Financial Institutions
Now Closed, Will Be Accepted
AT THEIR FACE VALUE,
100 CENTS ON THE DOLLAR
In Payment for Our Lots at Either
Valley Stream or Floral Park, L. I.
The McCormack Real Estate Co.
Main Office—New Times Bldg. B'way and 42d St., Manhattan
Downtown Office—United States Realty Bldg. 115 B'way, Manhattan
Brooklyn Office—Temple Bar Bldg. 44 Court St. Brooklyn, N. Y.

—Courtesy of Appleton's Magazine

FIGURE 4

think they need have no concern about the conduct of government because they merely pay rent.

The informed man knows that those who pay rent are as much taxpayers as those who own the houses in which they live. Their concern with government is equally as great as that of the property owner.

Likewise the man who draws money from a perfectly solvent bank in such a time as this, instead of protecting himself, may be promoting his own undoing.

Credit is the life blood of business. If banks fail, business will totter. If business is wrecked, employment will cease. And what will it profit a man if he gets his small hoard from a bank at the price of his business or of his job?

Think of this before you join a line of the panic-stricken.

That was the keynote of the fight from boundary to boundary of the country; as confidence commenced to return the nervous were first shamed, then clubbed, figuratively, into silence if not cheerfulness.

Nothing But Advertising After All

The newspaper campaign was absolutely nothing but advertising the soundness of our financial institutions and the prosperity of the country. Some banks realized this, and as Figure 4 shows, largely increased their advertising space in the leading dailies to help the cause.

Advertising during a panic is an odd thing and leads to peculiar results. A banker who advertised his huge resources precipitated an incipient run. Traced down, however, it was shown that a man who had formerly been in his employ told the servant of a depositor that, "Mr. Blank (the banker) was worried and was using a lot of printer's ink to hide empty vaults!"

The servant passed it to the maid, who told it to her mistress, and Mr. Depositor's wife helped it along, and over $700,000 was withdrawn before the lie was nailed.

The Fort Sutter National Bank, California, published a large advertisement, of which Figure 5 shows a much reduced copy. That is distinctly a panic advertisement and is an extreme example of going at the proposition without gloves. The effete East would probably have wanted to be "shown" some of the things claimed, especially in the case of such a new bank that had hardly had an opportunity to sink many roots very deeply into public confidence.

Only Their Desire

The advertisement is, however, undoubtedly strong and where the fear of the people is not yet aroused, but only their desire to be shown, it is good advertising.

I am a believer, however, in printing the last statement or an entirely new one, if more favorable, every day, featuring the members of the board, and always giving their business connection; and of leaving the

PRESIDENT ROOSEVELT SAYS

"The banks and trust companies are solvent. There is more currency in the country to-day than there was a month ago, when the supply was ample. These are facts and I appeal to the public to co-operate with us in restoring normal business conditions. The Government will see that the people do not suffer if only the people will act in a normal way."

If the people throughout the United States were as sensible as those dwelling in Sacramento and the Sacramento Valley, we would be doing business under normal conditions to-day.

Meanwhile this bank is receiving Sacramento Clearing House Certificates, Gold, Silver and Currency alike for deposit and is paying them out on checks while the Eastern people are getting their nerves up to normal condition.

It may interest our friends and patrons to learn the following facts, viz.:

OUR DEPOSITS ARE MORE THAN A MILLION DOLLARS

or nearly two and a half times what they were a year ago today

WE HOLD SEVEN HUNDRED THOUSAND DOLLARS

worth of gilt edge notes, county warrants, reclamation warrants and other securities in addition to the

QUARTER OF A MILLION DOLLARS WORTH OF BONDS

deposited with the Sacramento Clearing House Association as security for certificates, and deposited with the U. S. Treasurer

Two Hundred Thousand Dollars Worth of U. S. Bonds

WE HAVE NEARLY A QUARTER MILLION DOLLARS

Actual cash on hand in hard coin and Uncle Sam's Currency, or nearly four times as much as we had a year ago today

Money on Deposit in Other Banks, About One Hundred and Twenty-Five Thousand Dollars—Other Assets About Fifty Thousand Dollars

TOTAL ASSETS OVER $1,500,000.00

Pretty fair for a bank less than two and a half years old, isn't it?

Especially as the first year and a half was spent in the little store room on Seventh Street where our bank was called "the hole in the wall" because of its diminutive quarters.

Did You Ever Hear of a Bank's Daily Balance Book?

It shows exactly how the bank stands at the close of each day's business.

Our daily Balance Book is open at all times for the inspection of our depositors and for the inspection of any banker of Sacramento or any other place.

We Believe the Depositor is Entitled to Know the Standing of the Bank in Which His Money is Deposited

We invite you to open a checking account with fifty dollars or more.

In our Savings Department you may open an account with any amount from One Dollar upwards and we pay interest at the rate of three and a half per cent per annum.

SOUTHERN PACIFIC PAY CHECKS ACCEPTED AS CASH FOR DEPOSIT

We can sell you bank drafts drawn directly on Los Angeles, San Francisco, Portland, Seattle, Ogden, Denver, Chicago, Pittsburg, New York, London, Liverpool, Manchester, Edinburgh, Glasgow, Dublin, Belfast, Limerick, Londonderry, Paris, Lyons, Madrid, Lisbon, Rome, Florence, Milan, Venice, Vienna, Berlin, Hanover, Hamburg, Bremen, Brussels, Amsterdam, Copenhagen, Bergen, Stockholm, Berne, St Petersburg, Hong Kong, Yokohama, and hundreds of other points.

Come in and Get Acquainted

If the officers of the bank don't recognize you or your call by name introduce yourself again; THEY WANT TO KNOW YOU.

Don't blame them if they forget.

Just bear in mind there are over two thousand other depositors for them to try to remember.

Our intention is to treat all alike.

NO MATTER WHETHER YOUR DEPOSIT IS TEN DOLLARS OR TEN THOUSAND, WE AIM TO SHOW THE SAME COURTESY TO EVERY ONE.

We have never loaned a dollar on Wall Street

We have never loaned a dollar outside of California

We invite you to deposit your money with us, where it will be handled conservatively for the benefit of legitimate business in Sacramento and the State of California.

THE FORT SUTTER NATIONAL BANK

GEO. J. BRYTE, 1st Vice-Presiden — E. A. NICOLAUS, 2d Vice-President
A. L. DARROW, Cashier — E. L. SOUTHWORTH, Director
F. J. RUHSTALLER, Director — W. O. BOWERS, Director
F. H. KREBS, Director

FIGURE 5

talking to the news columns of the newspapers, or to indirect methods.

The Banker is Defendant

Remember one thing that some are too likely to forget—in the eyes of the public the banker himself is out of the case, he cannot testify—he is the defendant at the bar.

That is the truth of the matter and it should be looked squarely in the face.

Newspaper articles of faith producing import, cheerful news, articles filled with facts and figures that support an optimistic outlook, should be cheerfully furnished the newspapers.

Reprint strong articles from the weeklies or monthlies in pamphlet form and have one of your large depositors, not generally known to be identified with your bank, send them out in his envelopes or over his signature.

Have the advertising done by indirection, and keep the name of your bank out of the news columns.

Have the newspapers play up every burglary and robbery of a house or a store. Get stories from the detective bureaus telling how "in times like these, when foolish people take money out of banks to hide in their homes, thieves and burglars are most active and crime increases."

Handling the Newspapers

Every piece of good news must be featured and bad news must be minimized. This is the reversal of the usual practice, because the newspaper of necessity deals with the exceptions of life.

This policy is a great deal different from that assumed in the old days, for instance, in the 1857 panic, "Leslie's Weekly" printed a cartoon, of which figure 6 is a reproduction. That was helping the disease by making the patient more feverish.

The inevitable aftermath of the late panic is the numerous remedies for the next one. Among these remedies we have the usual stock of legislation, which will perhaps be inadequate, from state and national bodies; then we have new regulations by associations, so far, however, we have heard little of the very thing that saved the last panic—the use of the newspapers to lessen the power of panics by educating the people.

The banker wants to make panics impossible.

So do the people.

The banker alone can never make panics impossible. The people can, however.

Just so long as there is a time when the bankers of a city cannot liquidate all their deposit accounts at any time, they have not made panics impossible.

Teaching the People

Just as soon, however, as you have educated your public to look at the mystery of banking with a seeing eye and an understanding mind, you have made panics less a probability and you have robbed them of their terror and power to harm. When you have educated the people to an understanding confidence in the banks; when you have educated the people to know the right laws when they see them, when you have an educated public sentiment to back up the enforcement of these laws, then you are going to make panics improbable.

The people create panics—then go to the source.

Talk to them—let them gain confidence and faith in you and your purpose and your work.

If the $200,000,000 that is now in the secret hiding places of the uneducated non-depositors of the country had been in hand the country would have found it more difficult to go hard up in forty-eight hours.

The Advertising Bank Has Great Confidence

The bank that advertises openly and freely has more public confidence than the bank which conducts its business with pronounced secrecy and ostentatious indifference to public opinion. Today there can be no doubt about that, because the recent panic has proven it beyond question.

To the man who has thus far followed these pages there may come several questions which may as well be answered now.

The first may be that put by a banker who read these pages, "Why did you write such a depressing book?"

"Why depressing?" I ask.

"Because you make us who thought we knew something about advertising, think we are novices at the game, and that is always depressing."

To this somewhat novel and whimsical view I have but little to return. It has been the plea of let-well-enough-alone-ism from time immemorial, not only in business, but in morals, politics and social relations.

But in advertising, unfortunately, the advertiser who wants results and admits a serious intent to make it pay, is constantly striving after the best in knowledge and practice.

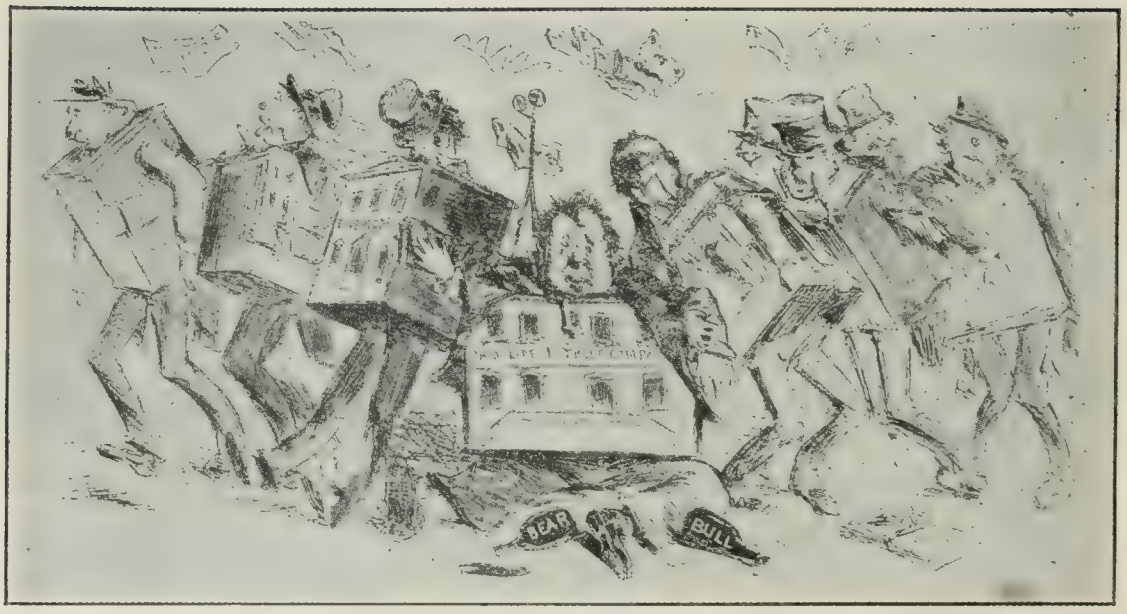


FIGURE 6

"Banks on a Bust." A caricaturist's conception of the business depression of 1857. Reproduced from "Leslie's Weekly," September, 1857. Copyrighted.

Neither that man who will not go far enough into the subject of advertising to find out how little he really knows, nor that other who will not admit that the experience which differs from his own has any claim upon his judgment, will find much in a book like this to comfort him.

A Clandestine Understanding

Among a certain class of the novices in all the games of life there is a clandestine understanding to ignore if not actively resent superior talent, energy and knowledge of those who have achieved success at the price of infinite pains, patience and labor.

My banker friend was frankly lazy; he didn't want financial advertising speeded up above the comfortable limit of every-day practice, because he would have to hire help. There could be "no use," in his eyes, "in telling the banking world all these things, because it would not be able to apply the rules and directions anyhow, and would thus be worse off than if it never had been told."

It never occurred to him that there were others who could apply them and obtain benefits beyond the dreams of less capable men.

Any man who approaches a subject so fraught with the whimsies of uncertain digestion and the vague gropings of myopic ignorance as advertising in any phase, must do so fully prepared to accept misconception with calmness and resignation.

Sadly In Need of It

Another thing, which I trust will be strongly and persistently borne in upon the sympathetic reader of these pages—individuality in financial advertising is sadly needed.

In biological science, I am told, the individuality of each cell demonstrates that evolution is taking place. If every cell were like every other cell there would be no such thing as growth. If we arrest the development of that individuality, growth stops.

Men are the same in their larger selves and expressions.

If it were not for individuality in men and nations and peoples, this old world of ours would stand still, dry up and disappear.

Progress is, therefore, instinctive in all of us—because nature constantly, persistently, irrepressibly strives towards it.

Just as nature kills some and lets others live at the very threshold of existence, the capable individual survives.

While some survive by the early aid of science it is often that Nature eventually proves that she knew best both for the good of the individual and for society.

The Spartan law recognized this, and the Spartans were the greatest among nations as long as Nature ruled them.

While conventional laws repress the individual—laws that are made by the mass, the mediocre, to lessen the crushing competition of powerful individualities, such laws have for their very foundation the law of let-well-enough-alone. If this law were to remain paramount and effective against all, society would die of *ennui* and run to seed.

The Man Who Leads

But the man who pushes through the entanglements of petty laws and gives something of enduring value to higher feeling, better thinking and cleaner living, achieves the success of discipleship, because mediocrity instinctively clings to the strongest, the noblest or the wisest of men.

This is the story of the world.

It has been the same from the days of Joseph, of David, of Solomon, of Abdon the son of Hillel, of Jesus, of all the great teachers and the beneficent rulers of men.

Character and personality count, but they count most when widely known and best understood.

I trust that these pages will carry this message to the financier and to those who are to guide the public to act and think with understanding and proper judgment on matters of finance.

A Little Light on Art

Whenever you mention art, most business men have visions of the tawdry debauchees of a red light "Bohemia," or the posing of gnat-brained adventurers, for the term is synonymous with insincerity and absurdity.

It is unfortunate that business men should so often get their ideas of art from the burlesque show of the charlatan.

Art means such infinitely greater and better and nobler things to humanity—has meant so much more than these in our history, that he who ignores it as a *practical* power, writes himself down as a half-educated man, whose judgments must be weighed accordingly.

Many will see in the art the insincere part of advertising. To most business men art means attitudenizing and insincerity, the mummer's life of make-believe, the cant of the loud mouthed mountebank, and all the tribe of quacks and fools who have haunted the vestibule of publicity for the past three hundred years.

Persistent Parasites

Just because the banker has come in intimate contact with these persistent parasites when he first entered the advertising world, he has quickly achieved the absurdity of judging the house by the beggars at the gates, and has not gone farther.

Let the banker be assured that he has not even crossed the threshold of the inner sanctuary but lingers in outer darkness among the Philistines!

Life is not a solemn dirge from the cradle to the grave and just because

> "Life is real, life is earnest,
> And the grave is not its goal."

there are advertisers and advertising men who turn towards life with glad hearts and look on it with happy eyes, respecting its vital truths, feeling its passions and its tears, just as deeply, and they have retained a truth and sincerity of purpose.

Art is Always Sincere

As another has said, "Art must never be insincere."

For advertising to be insincere is to carry its own death sentence within itself.

The advertising which lies is unforgivable.

Those whom it has fooled will have their revenge in the end, no matter how successful it may be. A higher law than ours, call it what we may, has made it inevitable that no man may achieve by lies or dishonesty or ignoble methods the high success that he may if he hitches his talents to the truth.

Take This With You

Art, whether in the advertisement or in the painting, the sculptured marble or in the harmonies of the strings, that is insincere carries a canker that eats at the perfect satisfaction which alone makes anything worth the doing.

This is not a brief for the advertising man, but it is a plea for the more careful comprehending study of advertising.

It is a side swipe at narrow mindedness.

It is a plea for a larger view of *all* the aspects of business—for a calm look into that Tomorrow which never comes, but from whose promise Today may steal a largess of a stronger purpose, a more definite faith, and a hope that will not be denied.

In closing these pages, I can find nothing more to my real purpose than to quote from "The School of Life:"*

And now there is one more lesson for us to learn, the climax of all the rest: namely, to make a personal application to ourselves of everything which we know. Unless we master this lesson, and act on it, the other lessons are virtually useless, and thus robbed of their essential glory. The only living end or aim of everything which we experience, of every truth we are taught, is the practical use we make of it for the enrichment of the soul, the attuning of the thoughts and passions, the exaltation of life * * * then we do what we know, then first does it put on vital lustre and become divinely precious.

*By William R. Alger.

APPENDIX:

I. BIBLIOGRAPHY

II. TECHNICAL INFORMATION

PART I: BIBLIOGRAPHY

THE FOLLOWING is a partial list of the books, which I would earnestly recommend to the careful perusal of the student of advertising or the advertiser seeking to gain a better knowledge of the subtleties of the profession, as a source of much enlightenment, knowledge, and better practice.

Any of these books may be obtained through any bookseller.

ADVERTISING.

A History of Advertising, from the Earliest Times, by Henry Sampson. London: Chatto and Windus, Piccadilly.

Modern Advertising, by Ernest Elmo Calkins and Ralph Holden. New York: D. Appelton Company.

ADVERTISING AND BUSINESS MANAGEMENT.

Business Organization, by Samuel E. Sparling, Ph. D. New York: The Macmillan Company.

Lectures on Commerce, by Henry Rand Hatfield. Chicago: The University of Chicago Press.

Evolution of Industrial Society, by Richard T. Ely. New York: The Chautauqua Press.

The Cost of Competition, by Sidney A. Reeve, New York: McClure, Phillips & Company.

DESIGNING AND ENGRAVING.

How to Judge of a Picture, by John C. Van Dyke. New York: Hunt & Eaton; Cincinnati: Cranston & Curtis.

Line and Form, by Walter Crane. London: George Bell & Sons.

Color Problems, by Emily Noyes Vanderpoel. London: Longmans, Green & Co.

The Illustration of Books, by Joseph Pennell. London: T. Fisher Unwin.

A Practical Hand Book of Drawing for Modern Methods of Re-Production, by Chas. G. Harper. London: Chapman & Hall, Ltd.

A Manual of Photo Engraving, by H. Jenkins. Chicago: The Inland Printer Company.

Of the Decorative Illustration of Books Old and New, by Walter Crane. London: George Bell and Sons.

The Basis of Designs, by Walter Crane. London: George Bell & Sons.

The Sense of Beauty, being the outlines of Aesthetic Theory, by George Santayana. New York: Chas. Scribner's Sons.

ENGLISH.

The Art of Writing English, by J. M. D. Meiklejohn, M. A. New York: D. Appleton & Company.

Talks on Writing English (first and second series), by Arlo Bates. Boston: Houghton, Mifflin & Co.

The Study of Words, by Richard Chenevix Trench. New York: Howard Wilford Bell.

A System of Rhetoric, by C. W. Bardeen. New York: A. S. Barnes & Co.

Words and Their Uses, by Richard Grant White. Boston: Houghton, Mifflin and Company.

Word Coinage, by Leon Mead. New York: Thomas Y. Crowell & Co.

Correct Writing and Speaking, by Mary A. Jordan, New York: A. S. Barnes and Company.

The Dictionary of Errors, Sherwin Cody. Chicago: The Old Greek Press.

The Verbalist, by Alfred Ayres. New York: D. Appleton & Company.

Some Ill-Used Words, by Alfred Ayres. New York: D. Appleton & Company.

English Synonyms, Antonyms and Prepositions, by James C. Fernald. New York: Funk & Wagnalls Co.

Connectives of English Speech, by James C. Fernald. New York: Funk & Wagnalls Company.

LETTER WRITING.

Commercial Correspondence and Postal Information, by Carl Lewis Altmaier. New York: The Macmillan Company.

Business Correspondence, by C. A. Burt. The System Company, Chicago and New York.

Good English Form Book in English Letter Writing, by Sherwin Cody. Chicago: The Old Greek Press.

PRINTING.

The Building of a Book, by Frederick H. Hitchcock. The Grafton Press, New York.

The Story of Books, by Gertrude Burford Rawlings. New York: D. Appleton & Company.

The Story of the Alphabet, by Edward Clodd. New York: D. Appleton & Co.

The American Handbook of Printing, by Edmund G. Gress. New York: Oswald Publishing Company.

Life of William Morris, by J. W. Mackail, 2 vols. London: Longmans, Green & Company.

The American Manual of Typography. New York: Oswald Publishing Company.

Early Printed Books, by E. Gordon Duff. London: Kegan, Paul, Trench, Trubner Co., Ltd.

Early Illustrated Books, by Alfred W. Pollard. London: Kegan, Paul, Trench, Trubner Co., Ltd.

Books in Manuscript, by Falconer Madan, M. A. London: Kegan, Paul, Trench, Trubner Co., Ltd.

Book Binding, by Herbert P. Horne. London: Kegan, Paul, Trench, Trubner Co., Ltd.

The Modern Book Composition, by Theodore L. DeVinne, A. M. New York: Century Company.

Plain Printing Types, by Theodore L. DeVinne, A. M. New York: Century Company.

A Treatise on Title Pages, by Theodore L. DeVinne, A. M. New York: Century Company.

Correct Composition, by Theodore L. DeVinne, A. M. New York: Century Company.

Printing in Relation to Art, by George French. Cleveland, Ohio: The Imperial Press.

The Principles of Harmony and Contrast of Colours and Their Applications to the Arts, by M. E. Chevreul. London: George Bell & Sons.

Colour an Elementary Manual for Students, by A. H. Church. Cassell & Company, Ltd. London, Paris, New York, Melbourne.

SCIENTIFIC: PSYCHOLOGY AND SOCIOLOGY.

Philosophy of Common Sense, by Frederic Harrison. New York: The Macmillan Company.

The Educative Process, by William Chandler Bagley. New York: The Macmillan Company.

The Point of Contact in Teaching, by Patterson Du Bois. New York: Dodd, Mead & Company.

Education, by Herbert Spencer. A. L. Burt Company, Publishers, 52-58 Duane St., New York.

The Will to Believe, by William James. Longmans, Green & Company, New York, London and Bombay.

The Varieties of Religious Experience, by William James. Longmans, Green & Company, 39 Paternoster Row, London, New York and Bombay.

The Power of Will, by Frank C. Haddock. Lynn, Mass.: The Nichols Press.

The Power of Thought, by John Douglass Sterrett. New York: Chas. Scribner's Sons.

Human Nature and the Social Order, by Chas. Horton Cooley. New York: Chas. Scribner's Sons.

The Law of Psychic Phenomena, by Thomas Jay Hudson, LL. D. Chicago: A. C. McClurg & Company.

Talks to Teachers on Psychology: and to Students on Some of Life's Ideals, by William James. New York: Henry Holt & Company.

The Principles of Psychology, by William James, 2 vols. New York: Henry Holt & Company.

Psychology, by James Rowland Angell. New York: Henry Holt & Company.

The Crowd, A Study of the Popular Mind, by Gustave Le Bon. London: T. Fisher Unwin.

Psychology and Life, by Hugo Munsterberg. Boston and New York: Houghton, Mifflin & Company.

The Theory of Advertising, by Walter Dill Scott, Ph. D. Boston: Small, Maynard & Company.

Fundamentals of Child Study, by Edwin A. Kirkpatrick, B. S., M. Ph. New York: The Macmillan Company. London: Macmillan & Co., Ltd.

The Story of the Mind, by James Mark Baldwin. New York: D. Appleton & Company.

Treatment by Hypnotism and Suggestion or Psycho-Therapeutics, by C. Lloyd Tuckey, M. D., Aberd. New York: G. P. Putnam's Sons. London: Bailliere, Tindall & Cox.

Psychologic Foundations for Education, by William T. Harris, A. M., LL. D. New York: D. Appleton & Company.

MISCELLANEOUS.

The Art of Controversy, by Arthur Schopenhauer. London: Swan, Sonnenschein & Co., Lim. New York: Macmillan & Company.

Pragmatism, by Wm. James. London: Longsmans, Green & Co.

The Life of Reason, or the Phases of Human Progress, by George Santayana. New York: Chas. Scribner's Sons.

The Principles of Salesmanship, Deportment and System, by Wm. Amelius Corbin. Philadelphia: George W. Jacobs & Company.

Right and Wrong Thinking and Their Results, by Aaron Martin Crane. Boston: Lothrop, Lee & Shepard Company.

PART II: TECHNICAL INFORMATION

THE FOLLOWING pages contain but a part of the vast mass of technical information necessary to the expert practice of advertising.

It will serve, with the bibliography, it is hoped, to give the reader an idea of what he should learn before he risks any of his own, or other's money in the game called advertising.

The Cost of Posters.

The approximate cost of making 8-sheet posters (size most used), high-grade pictorial work, in 5,000 lots, is as follows:

1 color	$130	per thousand
2 color	143	per thousand
3 color	156	per thousand
4 color	169	per thousand
5 color	182	per thousand

(Designs and plates extra.)

For single thousand add 80 per cent to above.

500 posters cost about 20 per cent less than a single thousand.

Signs on "Dead" Walls.

Signs on "dead" walls are sold on yearly contracts only; the price depends on the number of locations selected, but will average about 5 cents per square foot per year, one painting included.

Bulletin Boards.

Bulletin sign boards are usually 10, but sometimes 12 and 14 feet high.

The cost of space of bulletin sign board display advertising in large cities varies from 25 to 50 cents per running foot per month.

Special locations command a special price.

No contract is made to run less than six months. This includes painting and allows one repainting at end of six months on yearly contract.

Illuminated signs are extra, according to location and cost of wiring and electric service.

Dimensions of Posters.

A one-sheet poster is 28x42 inches. The standard height of posters from 8-sheet size up is 9¼ feet. The width of an 8-sheet poster is 7 feet. Add 3½ feet to the width for each additional 4 sheets added to the poster.

Street-car cards (standard size) are 11 inches high by 21 inches wide.

The rates for street-car advertising are 50 cents per card per month for three months; 45 cents for six months, and 40 cents for a year for a full run. When less than a full run is used five cents additional per card per month is charged.

The cost of printing cards in two colors is about $22.50 per 1,000; three colors, $28.00 per 1,000 high grade work. Designs and plates extra.

Number of Words in a Square Inch.

In calculating the number of pages a manuscript will occupy these figures may be used.

	Words to Sq. In.
18-Point (Great Primer) solid	7
14-Point (English)	10
12-Point (Pica) solid	14
12-Point (Pica) leaded	11
11-Point (Small Pica) solid	17
11-Point (Small Pica) leaded	14
10-Point (Long Primer) solid	21
10-Point (Long Primer) leaded	16
9-Point (Bourgeois) solid	26
9-Point (Bourgeois) leaded	20
8-Point (Brevier) solid	30
8-Point (Brevier) leaded	21
7-Point (Minion) solid	38
7-Point (Minion) leaded	27
6-Point (Nonpareil) solid	47
6-Point (Nonpareil) leaded	33
5-Point (Pearl) solid	69
5-Point (Pearl) leaded	50

"Leaded," as here used, means a spacing between lines with six-to-pica leads.

Explanation of the Point System.

The unit of type measurement is the PICA, divided into points, 12 points making one pica, and 72 points (or 6 picas) making one inch.

1-Point	12 to Pica
2-Point	6 to Pica
3-Point	4 to Pica
3½-Point	Brilliant
4-Point	3 to Pica
4½-Point	Diamond
5-Point	Pearl
5½-Point	Agate*
6-Point	Nonpareil
7-Point	Minion
8-Point	Brevier
9-Point	Bourgeois
10-Point	Long Primer
11-Point	Small Pica
12-Point	Two-line Nonpareil or Pica
14-Point	Two-line Minion or English
16-Point	Two-line Brevier or Columbian
18-Point	Three-line Nonpareil or Great Primer
20-Point	Two-line Long Primer or Paragon
24-Point	Four-line Nonpareil or Double Pica
30-Point	Five-line Nonpareil
36-Point	Six-line Nonpareil or Double Great Primer
42-Point	Seven-line Nonpareil
48-Point	Eight-line Nonpareil or Four-line Pica
60-Point	Ten-line Nonpareil or Five-Line Pica
72-Point	Twelve-line Nonpareil or Six-line Pica

*Newspaper agate is 5 1 7 point. See pages 985 to 992 inclusive.

Standard of Measurements.

The standard of measurement of advertising space is newspaper agate type (5 1-7 point). Fourteen agate lines make one inch. Nonpareil (6 point) measurement is used by some publications. Twelve nonpareil lines make an inch.

Paper Stock.

It would require a good-sized volume to describe the various sizes, styles and brands of paper manufactured.

Paper is quoted by the ream, the usual "count" being 500 sheets. The size of a sheet and the weight of a ream are also given. Thus, "enameled, 28x42—120," shows that a ream (500 sheets) of enameled paper weighs 120 pounds, the sheets being 28x42 inches.

Print Paper.

Print paper is made entirely of wood pulp, which is ordinarily treated by the sulphite process. In the average newspaper, the sulphite fiber and ground wood filler are found in the proportion of one to three. Newspaper is of one color; poster paper of numerous tints. These are the two uses to which print paper is put.

The usual sizes are 24x36, 25x38, 28x42, and 32x44 inches. The weight varies from 25 to 100 pounds. Other, but less common, sizes are 22x30, 24x35, 26x40, 30x44 and 36x48.

Book Paper.

Book paper in the cheaper grades is made of wood pulp; in the better grades there is an increasing proportion of rags. As its name implies, it is used in printing books. It is made in white and tints.

The following terms are commonly employed in describing different grades:

"S. & C." shows that the paper has been "sized" and "calendered." "Sizing" is a vegetable, resinous substance, which is mixed with the wood pulp to render the paper impervious to ink. In cheaper grades clay is used; in writing and more expensive papers, gelatine. "Calendering" is ironing. The paper passes rapidly through cylinders in contact, heated inside by steam.

"S. & S. C." shows that paper has been "sized" and "super-calendered," a separate process being employed to give it an especially high and glossy finish.

"Enameled" paper is coated on one or both sides with china clay and glue. This coating covers the body, fills up the pores and gives it an especially high and glossy finish.

"Antique" finish is one where the calendering has been omitted.

The usual sizes are 24x36, 25x38, 28x42 and 32x44. Sometimes double sizes, such as 36x48 and 38x50, are used, being twice 24x36 and 25x38, and odd sizes and weights are frequently made to order when the quantity required justifies it. Weights range from 35 pounds per ream upwards.

Cover Paper.

Cover paper comes in all grades and materials and in every conceivable tint. Common cover paper is simply colored book with the same finish. It may have a cloth, manila or plain back, an antique, enameled or leatherette finish, etc. The regular sizes are three: 20x25, weight 20 to 100 pounds; 22½x28½, 20 to 120; 23x32½, 14 to 56. There are other sizes—25x40, 22x34, 22x28, 24x36, 18¼x28, 18x28 and 25x38.

Writing Paper.

The cheaper grades have a large percentage of wood pulp; the better cotton rags, while in fine linen and bond papers linen rags are used exclusively. Linen is

usually lighter than bond, which has a hard and flinty surface. Writing papers are thoroughly and highly sized. Ledger paper is linen paper of high grade with a heavy finish.

The usual sizes are 17x22, 19x22, 19x28. Others are 22x34, 24x38 and 28x34. The weight varies from 14 to 56 pounds.

Bristol Board.

Bristol board, so called from the place of its first manufacture, is sheets of paper pasted together, the ply and weight depending entirely on the taste and wishes of the customer. It is used for visiting and business cards. White board is regularly 22x28, the ply 2, 3, 4, 6, 8, 10 and 16, the weight as high as 160 pounds. Other sizes are made to order, if ordered in large enough quantity to make it worth while.

Manila Paper.

Manila paper is used for wrapping purposes, its basis being Manila butts. The two usual sizes are 22½x28½ and 24x36, and the weights 80 to 200 pounds.

Envelopes.

The usual envelope sizes are:

Low 5	3-1-16 x 5½	9	3⅞ x 8⅞
High 5	3⅛ x 5½	10	4⅛ x 9½
6	3⅜ x 6	11	4½ x 10⅜
6¾	3⅝ x 6½	12	4¾ x 10⅞
7	3¾ x 6¾	14	5 x 11½

Printing Plates.

Those most generally used in advertising are half-tones, zinc etchings, electrotype and stereotype.

Half-Tones.

Half-tone engraving is the only process known at this time by which photographs, wash drawings and things of like nature may be reproduced for use upon the printing-press.

A plate is made by interposing a screen between the copy and a sensitized plate in a camera. This produces a negative consisting of lines and dots. The negative is printed on a copper plate and etched. After etching, the plate passes into the hands of a finisher, who corrects defects, cuts and tools it and prepares it for mounting.

For use in newspapers a sixty-line screen will give the best results; for the ordinary magazines, 110 or 120 line screens may be used; for highly enameled paper, 133 and 150 are the screens most generally employed.

Copy for Half-Tones.

It is well to see that the copy for half-tones, whether a wash drawing, oil painting, photograph, photogravure or steel engraving is free from defects, as a half-tone is a faithful reproduction of the copy furnished.

Zinc Etchings.

Zinc etching is the simplest method of making printing-plates by photographic process. Any drawing or print consisting of lines or dots, which will photograph, may be reproduced by it. The copy is placed before a camera and a negative is obtained but not with a screen as in making half-tones. A print from the nega-

tive is made upon a sensitized plate, which is then prepared for the etching bath. It is then etched to a proper printing depth. The larger open spaces are routed to insure the background not showing up in printing.

A zinc etching is a perfect printing-plate, and will last for many thousand impressions, but if intended for general use and long runs, electrotype should be made, the original zinc being retained as a pattern.

Copy for Zinc Etchings.

These are pen, crayon and charcoal drawings, prints from photographs consisting of lines or dots, printed pages or forms or anything made up of distinct lines. These should be in black ink upon white paper or cardboard.

The reproduction of typewritten letters where colored ribbons are employed is, as a rule, unsatisfactory. Have the letters rewritten in black.

A zinc etching can not be made from a photograph, wash drawing or any such copy without first making a pen drawing.

Wood Cuts.

Where special sharpness of outline is desired in an illustration it is often advisable to have the subject engraved on wood. This is sometimes decidedly the best process for mechanical subjects and illustrations which are to be extensively duplicated.

Electrotypes.

Electrotyping is not engraving, but simply a method of duplicating engravings, type forms, etc.

A mold of the object to be copied is taken in wax and suspended together with a plate of copper in an acidulated solution of copper sulphate. An electric current is employed to deposit the copper on the mold. When the copper shell has become of sufficient thickness, it is removed from the mold, strengthened with a backing of stiff metal, straightened, shaved, trimmed and blocked and is then ready for the printing-press.

There is a great difference in the quality of electrotypes. A shell may be made thick or thin. If it is too thin the life of the electrotype is short. If the molding is carelessly done, if the plate is not properly built up, if the rules are not perfectly joined, or if the finishing is neglected in any way, an imperfect plate results.

An electrotype of a half-tone is much more difficult and more expensive than electrotypes made from other forms.

Stereotypes.

Stereotypes are most generally employed by newspapers in duplicating their forms, and we occasionally have them made for advertisements.

A mold is produced by beating papier-mache into a form and drying it by heating the form to a high temperature. The mold thus produced is placed in a casting box and melted stereotype metal poured on.

Wood-base cuts or wood type and everything but metal should be eliminated from forms which are to be stereotyped.

Cost of Plates.

As regards the cost of plates, no fixed prices can be stated, as they will vary greatly, especially in half-tones and electrotypes, depending on the time required in finishing the plates.

For the purpose of roughly estimating the probable cost of plates, the following figures may be safely used. In a majority of cases, the cost will be found to be considerably less:

Half-tones	$0.25	per square inch.
Zinc etchings	.07	per square inch.
Electrotypes	.04	per square inch.
Stereotypes	.03	per square inch.

The above prices are based on wood mounting. When electrotypes are mounted on metal bases, these prices are considerably increased, depending on the size of the plate.

THE FOLLOWING pages, from 967 to 984 inclusive, illustrate, by example, some of the simple laws governing type display. I am enabled to reproduce these pages through the courtesy of A. A. Stewart, Instructor of the School of Printing of the North End Union, Boston, Massachusetts, U. S. A.

Head-piece

THE CHAPTER HEADING

Plain Four-Line Initial

THE chapter heading is commonly set in capitals of the text letter, except when it is brief, as a number only, in which case it is in larger type. Roman numerals are used for the chapter numbers (like CHAPTER XIV). When the chapter heading is long and will not readily come into one line, make two lines of it, the first one less than the full measure, and the over-run a shorter line in the center below it. To make the first line full, in this case, and to put in the second line one word or syllable only, is not good arrangement. This will also apply to sub-headings and displayed lines. Two short lines, properly spaced, are more pleasing, as well as more legible, than one line that is thin-spaced and crowded at the ends.

The amount of blank space at the head of a chapter should be governed by the amount of matter, shape of the page, the style of leading, and often by the character of an initial letter. In very open text matter nearly half a page of blank may be given to the chapter heading and head-piece in leaded matter one third or less is sufficient; when there is no head-piece the space is usually less, one quarter or one fifth.

The space allowed for the first chapter heading of a book should be, when practicable, the same in other similar headings.

4 . RUNNING HEAD IN SMALL CAPITALS

The size and style of type used should also be as nearly alike as possible in all chapter headings; even if one heading makes a single line and another heading two lines, it is better than a change of type or size.

4 LARGE CAPITALS
Placed over text of the same size; this style is proper when the head is short

4 *ITALIC CAPITALS*
Are seldom an improvement on Roman but are sometimes used for variation.

4 *Italic Capitals and Lower-Case*
May be used when running head has many words; if the line is short, italic of larger size than the text may be used

4 Old English Letter
May sometimes be used with text in oldstyle; other features should conform

4 A MODERN STYLE
Frequently adopted for modern story books, catalogues and adv. booklets

DECORATIVE
Heads in this style can be made effective in booklets, small catalogues, etc.

It has been customary to set the running head, or running title, in small caps. of type like the text of a page, but the modern practice is varied. Running heads are sometimes set in capitals of the text letter, and sometimes in capitals of larger or smaller sizes (set close if it has many letters or letter-spaced if it has but few). Other variations are to use italic, all capitals or capitals and lower case. In bibliographical works, novels, and distinctively books, as well as catalogues and booklets, Old English black letter is occasionally used.

A reasonable objection to the old custom of putting the running head in small capitals is because of their insignificance and weakness, especially a short line on a large page. The heading,

PAGE NUMBERS ARE CALLED FOLIOS 5

in a dignified book page, should be neither insignificant nor yet obtrusive; in a booklet for advertising purposes it may be strong, with color enough to give distinction to the page, the type being combined with borders, or small ornaments, and rule, so as to give decorative effect to an otherwise plain page of type.

CAPITALS 5
May be opened a little, in this manner with thin spaces, if the head is short.

ITALIC CAPITALS 5
On a small page of large type may be put in a smaller size than the text

Roman Lower-case 5
Of a size larger than text is also used for running heads in a story book, advertising booklet or dealer's catalogue

Heavy Roman Type 5
Are suitable in advertising pamphlets and catalogues but not in library books

RUNNING HEAD 5
Long headings may be divided for two pages, but division should be even.

HEAD-LINES
Full length headings help give shape to pages containing irregular matter.

The running head is, when set plain, without rule or ornament, usually separated from the text matter below by a line of quads of the same size, except where the text is set solid or is larger than ten-point. This general rule may be observed: the white space between running head and text should approximate that made by a short line at the end of a paragraph in the page below. Avoid a needlessly wide space under the running head, but do not make the space so small, that the head-line looks crowded down on the text matter.

Sometimes a light-faced brass rule, the full width of the page, is used to separate the running head from the text. It is

6 *Sub-headings and side-headings*

not necessary to increase the space to admit this rule; if the page is set solid the presence of a rule may admit of a reduction of the space between the head and the text. The running head properly belongs only on the pages which have text matter continued from a preceding page. The first page of a chapter that is sunk and has a chapter heading does not have also a running head. Nor does a page containing an illustration which occupies the full page.

The page number, or folio, is commonly put in the end of the running head-line; in the body of a book it is a figure of the text or larger. Sometimes, when pages have no running heads, the folio is placed at the foot of the page, in the center of the line or at one side, and may be with or without brackets or parentheses. Right and left pages of a book are by printers called odd and even. The odd-page folio is placed at the right-hand end of the line, and the even-page folio at the left. Particular care should be taken, in justifying the running head in the measure, to get it exactly in the middle of the page: the insertion of the folio in the end of the line should be made so as not to disturb the words of the running head from the exact center.

THE SUB-HEADINGS

Are less important than the chapter headings and should never be set in larger type. Like chapter headings, sub-headings should be set in uniform style throughout the book. They are usually put in the middle of the line, and may be set in many ways: in small capitals if brief: italic capitals and lower-case for a longer one; or in any style of plain type which will make an agreeable combination with the text and other features of the work.

Side-notes, foot-notes, and others 7

The Side-heading. This is also a secondary heading, placed at the beginning of paragraphs, when it is said to be a run-in side-heading. In ordinary book work it is usually set in small capitals or in italics. In catalogues, pamphlets, and dictionaries, side-headings are often properly set in a heavier face than the text. A type similar to the text but enough bolder to be distinct, and made to align with the text matter on the same line, will be a satisfactory style. To select a type of the same color or lighter, but of different series than the text, as is sometimes done, is not good taste. Side-headings are not proper subjects for fanciful treatment. They serve to break the monotony of plain type, to subdivide it so that the reader may see at a glance the topics treated, or to call attention to some particular statement; for these purposes plain type will invariably be the best. In advertisements, price-lists, etc., the side-headings may be set in a line by itself, without indention, so that it is at the side of the page.

The Following Extract shows a common arrangement of heading, sub-heading, and side-headings:

CONSTITUTION

ARTICLE 1

Title, Jurisdiction, and Objects

SECTION 1. This society shall be known and designated as BOSTON TYPOGRAPHICAL UNION, No. 13, existing by virtue of a charter from the International Typographical Union.

SECTION 2. The jurisdiction of this Union shall be in accordance with the laws of the International Typographical Union.

SECTION 3. The objects of this Union shall be the procuring and maintenance of a fair and equal rate of wages, wholesome sanitary conditions, the encouragement of good workmanship, and the employment of every means which may tend to the elevation of printers in the social scale of life.

SECTION 4. Any printer (which shall include any employee of the composing room

8 . *Side-notes, foot-notes, and others*

SIDE-NOTES, FOOT-NOTES, ETC.

Showing a Side-note

Side-notes are in the margin outside of the type page, and are usually set in narrow-column measure, in type two or more sizes smaller than the text letter. Lower-case Roman is better for this purpose than italic, which is sometimes used, as the kerned letters of italic are easily broken off in this position. The lines of a side-note should begin even when it is on the right-hand side of the page, but should end even when on the left-hand side. It is a common practice, however, to begin the lines of a side-note even for both right-hand or left-hand pages, though this will often give a ragged appearance when the lines are of different lengths. The words of a side-note should not be letter-spaced to arbitrarily square them up.

For a note on this side of the page set the lines even on the right

Do not try to square up lines by letter - spacing like this

Foot-notes are set in small type at the bottom of the page, and usually begin with a reference number or mark identical with one in the text above.* When text pages are large and the notes short and few, the maker-up will have little difficulty with foot-notes; but with copious notes on small pages considerable calculation and frequent over-running and re-arranging will be required to make them come right. When it happens that the reference mark for a long note comes in the last line or near the bottom of the page, so that there is no room for the note on the page, one or two lines of the note may be put on its own page and the balance carried over to the next page. If there are references on this following page also, the notes will be put under the one continued from the preceding page. The signs which come with fonts of Roman capitals (* † ‡ § ‖ ¶) have

*FOOT-NOTE, When the foot note is short it may be set in one line in the middle of the measure, but if it consists of several lines, like this one, it is better to divide the matter into two columns. No brass rule is needed, either to separate the columns or to divide the foot-note from the text.

The Shoulder-note

been the common marks used to refer to foot-notes in book pages, and they serve the purpose when used only occasionally; but when many references occur on one page these characters are sometimes objectionable. Superior figures[6] and letters[a] are now more often used; they are neater and permit of any number being used without repetition or confusion. Compositors sometimes use for superior figures characters on a body half the size of the text letter, justifying this small type with an en-quad of the same size; but the most satisfactory superiors are cast on the upper part of the full-sized body, which are furnished by the foundries. *Center-notes* are rarely used, except in reference editions of the Bible.

Shoulder-notes are those which appear on the outside corner at the top of the page, used mostly in law works and histories.

Showing a Cut-in note

Cut-in-notes are set in narrow measure in type smaller than the text. Type faces heavier than the text are sometimes used in school books and reference works, and in advertising pamphlets other styles are employed. They should be put in the outside edge of the type page, and will always look better if they are surrounded at top, side, and bottom with full-length lines of the text matter, and not inserted beside an indented first line, or the broken line of a paragraph.

10 EXTRACTS AND POETRY

EXTRACTS AND QUOTATIONS

Short phrases and quotations from other writers are often run in the text, with the quotation-marks to distinguish them, but when they are lengthy, constituting an entire sentence or paragraph, it may be required that they should be set apart from the main text. A quotation that makes a paragraph, set in the same type and same length of line as the text, should have quotation marks. When it is set in a different size of type—which is customarily one or two sizes smaller than the text—the quotation-marks are not needed. As with other features of a book, no unvarying rule can be given for the composition of extracts or other quotations. In all important work the compositor should receive with copy instructions as to the use of quote-marks, size of type, indention, etc. Especially where several persons are employed on the same work there should be clear instructions for these features, as otherwise there will be lack of uniformity.

> When the extract is set in separate paragraph and in smaller type, it does not need the marks of quotation; the change in size is sufficient indication of a change in authorship. A new method of indicating extracts indents them one em on each side of every line.—DeVinne.

There should be sufficient space above and below the extract to distinctly separate it from the text, yet not so much as to leave unnecessary blanks. In solid matter two leads may be enough, but leaded matter will need more. The leading and spacing of the extract should be uniform with that of the text—if the text is leaded, the extract in smaller type needs thinner leads.

> Pick and click
> Goes the type in the stick,
> As the printer stands at his case;
> His eyes glance quick, and his fingers pick
> The type at a rapid pace.

EXTRACTS AND POETRY 11

In setting extracts of poetry, the lines should be indented so as to make the stanzas appear in the middle of the column or the page. This is not difficult to do when the lines are somewhere near of an equal length, but in poetry which has lines of greatly varying lengths it requires some calculation in order to secure this result without going over the matter a second time. If there is only an occasional long line, it may be necessary to put it a little out of the center, in order to make the whole stanza keep its proper place on the page.

In the indention of lines of poetry, quads of even ems should be used, in order to secure uniform alignment of the beginning of lines, and the odd spaces needed for justification should be put after the last word in the line.

It is customary to indent alike the lines which rhyme with each other, but this is often decided by the author, as is likewise the indention of irregular or unusual forms of verse. The punctuation by the author should also be followed, even if it does seem unusual; and particular care should be exercised in reading copy to observe the use of uncommon words, or the uncommon use of familiar words, which writers of poetry will often employ.

Where quote-marks are used in poetry it is better, when they are at the beginning of the line, to place the inverted commas outside the alignment of the first letters:

He sat upon the deck,
  The book was in his hand;
"Do not fear! Heaven is as near,"
  He said, "by water as by land!"

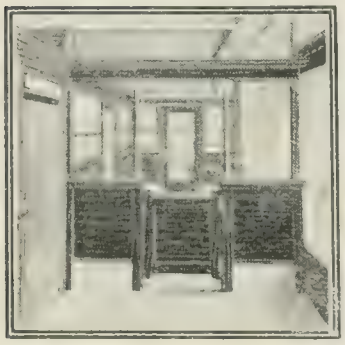
"The cunning old cat lay down on a mat
By the fire in the oaken hall;
'If the little mice peep, they'll think I'm asleep;'
So she rolled herself up like a ball."

12 ENGRAVINGS IN TYPE-PAGES

The three-to-em space is sufficient blank to put between words in poetry set solid or single-leaded; when the lines are opened with two or three leads the en-quad space is needed. An old-time rule in many printing houses was to space all poetry with en-quads or double spaces. In solid lines, this wide-spacing gives a pigeon-holed appearance that is not pleasing, as may be noted in the following stanza:

> Blessings on thee, little man,
> Barefoot boy, with cheek of tan!
> With thy turned up pantaloons,
> And thy merry whistled tunes.

When a line of poetry is too long to come into the measure, it turns over to the next line, the part thus turned over being indented so as to avoid confusing it with the beginning of the regular lines. When space is scant and it is desired to avoid an extra type-line, this turned-over end of a line is often put at the end of a line before or after, as in church hymnals.



A Zinc Halftone Engraving

THE PLACING OF ENGRAVINGS

Engravings (or cuts, as they are called by the printer) are of several kinds. Zinc plates and halftones, etched or engraved by photo-mechanical processes, have mostly superseded wood-cuts. Halftone engravings are suitable for printing on coated and other smooth-finished papers, like the kind used in this pamphlet. When they are printed on rough paper, the small, shallow holes of a fine-screen halftone will fill up and give ony a burred impression. A medium rough paper may be

desirable for type pages, but the same surface may not be smooth enough to show the delicate tones of an engraving. For this reason, fine illustrations are often printed on paper different than the main part of a book. Coarse-screen halftones are made for newspapers and other cheap work, and may be printed on common-surfaced paper. Antique or rough-surfaced paper requires deep-cut wood engravings or zinc etchings with strong lines. The finer the lines or dots of an engraving the smoother the paper must be to print properly.

Electrotype made from a Wood Engraving

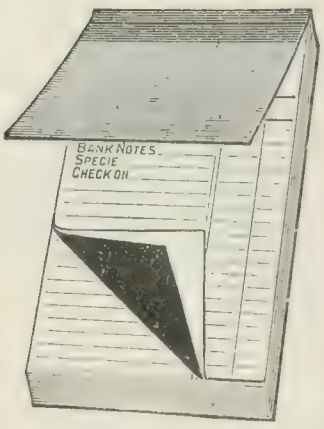
The position of an engraving is usually indicated by the author or customer, but there are a few rules which should be observed by the compositor who has this duty to do. Engravings that are not mates and not dependent on one another should be kept apart, so as to balance the page and have good relief of type matter around them. Small cuts are set into the side of the page, as on this page; but larger ones, which permit of very little reading matter on the sides, are often better set in the middle of the measure, independent of the type. A small cut may sometimes be inserted in the middle of the measure, with reading matter justified on both sides. If the cut is very small, these lines may read across the page, but if the cut is large enough to make the connection of the two parts of the

14. *ENGRAVINGS IN TYPE-PAGES*

lines vague, it will be better to treat the reading matter as two separate columns, on the sides of the cut.

The blank space to be left between the cut and the type must be governed by the general openness or closeness of the page. Cuts that have well-defined rectangular outlines may often be set closer to solid type than those which have ragged or irregular form. The blank spaces between the cut and type should appear uniform on all sides; do not crowd them together at one point and leave a wide space at another. The mortises or notches on the sides should be examined carefully to see that they are square and perpendicular, so that the type will stand squarely on its feet. Any inaccuracy on the sides of the cut should be corrected before justifying the type beside it, as otherwise the locking up of the page will be a source of trouble.

When engravings are to be printed on both sides of a leaf, they should, if possible, be placed so that one engraving will not back up another; the backing of cuts on the same sheet increases the liability to set-off and blurring of fine lines, especially if there is strong color printed on smooth paper.



Electrotype made from a Wood Engraving

The Legend line or title placed under an engraving may be set in many ways: in small capitals of the text-letter, if that is not too large; in lower-case of a smaller size; in italic lower-case, or in capitals and lower case of any light-face letter which is not incongruous. Usually the use of a job-face is to be avoided, except in a catalogue or advertisement. A long title or description is better set in two short lines, the first one longer than the second, rather than in one

ENGRAVINGS IN TYPE-PAGES 15

12 Point Quads

long line extending the full width of the cut. Illustrations seldon need bold type for legend lines. It is not well to select a type so large that it will look coarse; a plain, neat line is always desirable. A title or descriptive line may sometimes be placed at the side of the cut; or, on large cuts, at one of the corners, above or below, as may be seen in magazines and periodicals. This styles is in accordance with orders of the editor, or publisher,

Slug or Quad-line

The Title-line

and all such directions should be carefully followed by the workman who makes up the page. When a large cut has to be placed sideways on the page, the bottom is commonly put at the inside, or back margin. This arrangement must be varied when two large cuts follow each other; they should be placed so that they may be seen and the title-lines read following the order of the book without changing the position. This custom is varied in many places and in some kinds of work, and it will always be well to ask for instructions.

The justification of a small cut in the side of a page or column should be done in a composing stick whenever possible—that is, when the cut and the lines will come within the stick.

12 Point Slug or Quads

Note. The rules on this page indicate the leads and slugs used to justify the cut in its place; they show the usual arrangement in make-up work of this kind.

16 . *ORNAMENTAL TAIL-PIECE.*

The type-lines should be set in measures of even ems of twelve-point, or pica, especially when leads have to be used. In solid matter the lines may be readily justified to any measure, odd or even, but it is better to keep them in even lengths as much as possible. Sometimes this may mean that while the leads and lines are even ems long, if it brings the letters too near the cut the words may be spaced thinner, or so as to leave a space or quad at the end next to the cut. When practicable, a lead or slug should be put between the ends of the lines and the base of the cut. The justifying material should be simplified to the fewest pieces. The use of small pieces of leads, slugs, or different sizes of spaces, should be avoided as much as possible. Do not put in a number of small pieces when one large piece will serve. A little calculation and forethought will save time and material.

Head-pieces and tail-pieces are ornamental designs at the beginning and end of chapters. Tail-pieces are placed in the white space at the end, as shown on this page. When there is not ample room it will be better to omit the tail-piece, rather than crowd it down to the bottom of the page. When the head-piece, tail-piece, ornamental initials, and other decorative features of a book are all of a harmonious style of drawing and weight of line, they are more pleasing. A head-piece of one style and a tail-piece of glaringly different style should be avoided.

THE USE OF LARGE INITIALS

The Synopsis—Set in small capitals, or in capitals and small capitals when brief—If long, it may be in lower-case—The type should be several sizes smaller than the text—Sentences separated by em-dash, but no period is needed—Usually set with hanging indention, equal to indention of paragraphs in the text matter below.

CAPITALS are commonly used for the first word which begins with a large initial. If the initial is the article A or the pronoun I, the next word is set in large capitals. When the page is small, the type large, and the first word a long one, capitals may be better, to avoid making large display. This practice prevails in book and other plain work set in Roman type; in jobbing and advertising the choice of letters to complete a word with a large initial is not restricted to any particular style. It is oftener that the word is completed in lower-case of the text, or sometimes in a heavier face, corresponding to other lines of display on the same page.

The letters of the first word are kept as close as possible to the initial, but the second and third lines have a space or quad before them, to make some distinction and show a closer relation of the initial to the first line. The space at the right of the initial should be somewhere nearly equal to that under it, and the space in either place should not be unnecessarily wide. This may be difficult to avoid in the case of a large Roman letter from a regular font, which has a large blank space, or shoulder,

below the letter. This shoulder prevents the full line under the initial from coming near enough to the letter; it may have to be cut off, but if it is proposed to print the initial in another color, or in a separate form, cutting the type is not necessary.

The top of a large initial should be even with the top of the first line of text; and when it is intended to be set in a corner of a page of text, it should be fitted in neatly and lined exactly on the outside and the top. Another style that is common in books of poetry and open composition is the high or cockup letter, of a size not larger than two lines of text, justified so that its bottom will be on a line with the first line of the text. When a plain Roman letter is selected for a large initial, it will look neater if it is of a style similar to the text letter; that is, if the text is in old-style letter, an initial of modern cut is not a suitable mate. If the text matter is in italic, an italic initial will

I THE pronoun used as an initial is placed like this, the lines of text all indented alike and separated from the initial more or less according as the letter and the text are solid or open.

I F the initial is part of the first word the spacing is like this; the second and third lines are indented a little more than the first, which has a closer relation to the initial.

E LABORATELY ornamented
Initials of irregular
Outline may be placed so that
They are higher than the top
Line of text. This style is used
For books of poetry.

I NITIALS of this style are known as cock-up letters, and are of a size a little larger than the text. They should line at the bottom with text.

be better than one of the upright style. This suitability of an initial to the text-type and to other features of the work is important; it will be better to omit the initial altogether than to put in one that is incongruous.

HEAVY initials are better with heavy faces of type; a bold, black initial is not appropriate beside light-face roman, especially if it has no feature of form or ornament to harmonize with its text. Initials of compact design fit solid type.

An initial of this style seldom looks well with modern style light-faced types; it is more appropriate with text of rugged, old-style roman or black letter.

The selection of an initial of a larger size of the same letter as the text matter is always a safe choice; it insures a harmonious combination, and, unless it is very small or very large, it will usually give the right spot of color.

AN initial of this form will naturally suggest a plain roman type for the text, giving a gray tone, and a generally squared-up or panel effect for the composition of the whole page.

The number of text lines that are covered by an initial must be considered in relation to the size both of the page and of type. In small pages, with type of ten-point size or smaller, a two-line letter will often be large enough; a large page will require a large letter.

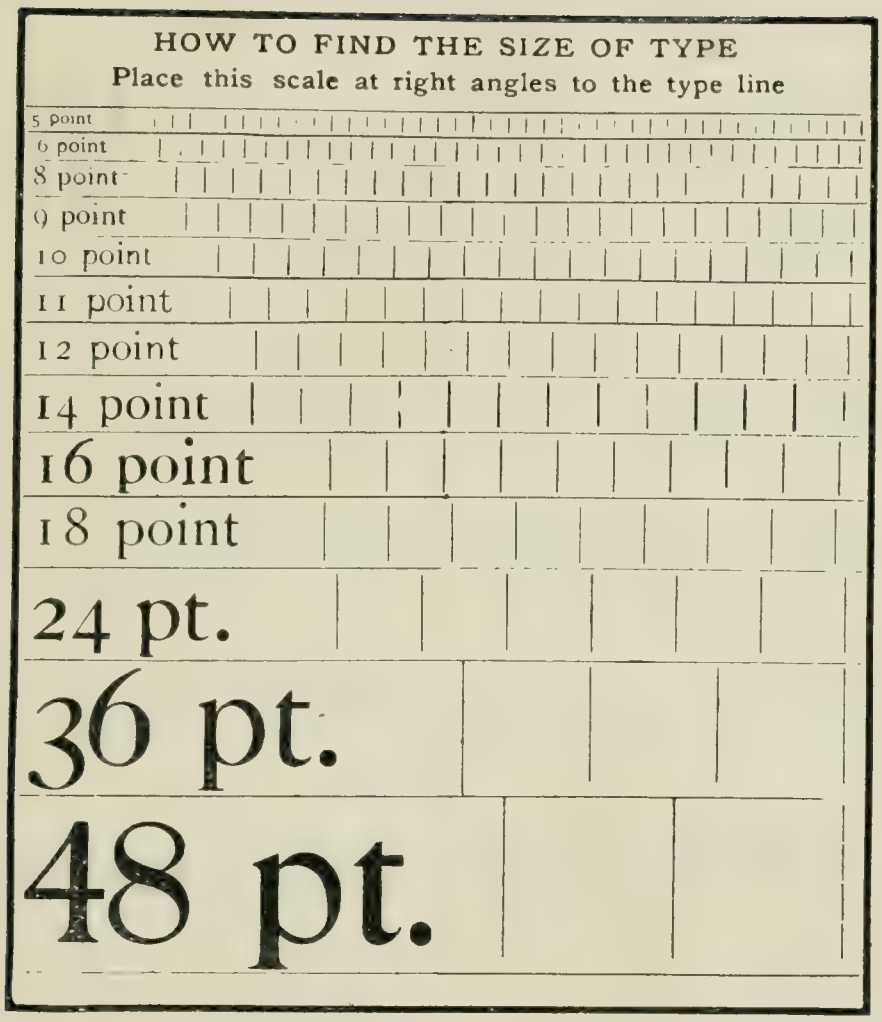
It is better, if the initial is an ornamental letter, to have it of the same style of ornamentation as the head-piece and other decorative features of the page. Do not use two different styles of ornament on the same work. If an initial does not match an ornamental head-piece or border, use a plain initial; vice versa, an ornamental initial will be better with a plain rule border or head-line. Two or more fancy

initials of different styles on one page are objectionable; prefer to use plain letters of one style. For a small page one ornamental initial will usually be all that will look well. Avoid a lavish use of initials, as well as of other ornamentation.

If the page is to be printed in one color do not select a big heavy initial to go with light-face text; violent contrasts are not desirable in book work.

HIS initial is too black for this light roman type. It distracts the reader's attention from the interest of the text-matter; and as the reader's attention to the reading matter must always be the chief reason for printing words and sentences, any typographic feature which is obtrusive or distracting is not good.

HE heavier text type used in this paragraph is more appropriate for the initial letter. The blackness of the initial is relieved by printing the letter in a lighter color. Heavy lines and strong color, as shown in this, are more appropriate for rough finished paper; they are seldom pleasing on glossy, coated stock.



This shows the sizes of type from 5-point to 48-point, and the relative number of letters that can be placed in a line of the given length and width.

Cheltenham

Size of Type and Number of Letters in Line	*Size of Type and Number of Letters in Line*
6 Point 2-line Letters 26	6 Point 2-line Letters 45
THE HERALD REACHES THE HOMES OF	Boston Herald Has the Largest Home Circulation in the
8 Point 2-line Letters 22	8 Point 2-line Letters 37
THE HERALD REACHES THE HOM	Boston Herald Has the Largest Home Circulat
10 Point 2-line Letters 18	10 Point 2-line Letters 29
THE HERALD REACHES TH	Boston Herald Has the Largest Home
12 Point 3-line Letters 16	12 Point 3-line Letters 26
THE HERALD REACHES	Boston Herald Has the Largest H
14 Point 3-line Letters 13	14 Point 3-line Letters 21
THE HERALD REAC	Boston Herald Has the Lar
18 Point 4-line Letters 11	18 Point 4-line Letters 18
THE HERALD RE	Boston Herald Has the
24 Point 5-line Letters 8	24 Point 5-line Letters 13
THE HERAL	Boston Herald H
30 Point 6-line Letters 7	30 Point 6-line Letters 12
THE HERA	Boston Herald
36 Point 7-line Letters 6	36 Point 7-line Letters 10
THE HER	Boston Hera
42 Point 8-line Letters 5	42 Point 8-line Letters 8
THE HE	Boston He
48 Point 9-line Letters 4	48 Point 9-line Letters 7
THE H	Boston H

Good strong display face.

Cheltenham Bold

Size of Type and Number of Letters in Line	*Size of Type and Number of Letters in Line*
6 Point 2-line Letters 26 THE HERALD REACHES THE HOMES OF	6 Point 2-line Letters 36 Boston Herald Has the Largest Home Circula
8 Point 2-line Letters 22 THE HERALD REACHES THE HOM	8 Point 2-line Letters 30 Boston Herald Has the Largest Home C
10 Point 2-line Letters 17 THE HERALD REACHES T	10 Point 2-line Letters 25 Boston Herald Has the Largest
12 Point 3-line Letters 16 THE HERALD REACHES	12 Point 3-line Letters 22 Boston Herald Has the Larg
14 Point 3-line Letters 13 THE HERALD REAC	14 Point 3-line Letters 18 Boston Herald Has the
18 Point 4-line Letters 11 THE HERALD RE	18 Point 4-line Letters 15 Boston Herald Has
24 Point 5-line Letters 8 THE HERAL	24 Point 5-line Letters 12 Boston Herald
30 Point 6-line Letters 7 THE HERA	30 Point 6-line Letters 10 Boston Hera
36 Point 7-line Letters 6 THE HER	36 Point 7-line Letters 8 Boston He
42 Point 8-line Letters 5 THE HE	42 Point 8-line Letters 7 Boston T
48 Point 9-line Letters 4 THE H	48 Point 9-line Letters 6 Boston

Useful and striking contrast.

Cheltenham Bold Condensed

Size of Type and Number of Letters in Line.	*Size of Type and Number of Letters in Line*
6 Point 2-line Letters 34	6 Point 2-line Letters 45
THE HERALD REACHES THE HOMES OF THE BUYER	Boston Herald Has the Largest Home Circulation in the
8 Point 2-line Letters 28	8 Point 2-line Letters 39
THE HERALD REACHES THE HOMES OF TH	Boston Herald Has the Largest Home Circulatio
10 Point 2-line Letters 22	10 Point 2-line Letters 29
THE HERALD REACHES THE HOM	Boston Herald Has the Largest Home
12 Point 3-line Letters 20	12 Point 3-line Letters 26
THE HERALD REACHES THE H	Boston Herald Has the Largest H
14 Point 3-line Letters 17	14 Point 3-line Letters 22
THE HERALD REACHES T	Boston Herald Has the Larg
18 Point 4-line Letters 14	18 Point 4-line Letters 18
THE HERALD REACH	Boston Herald Has the
24 Point 5-line Letters 11	24 Point 5-line Letters 15
THE HERALD RE	Boston Herald Has
30 Point 6-line Letters 9	30 Point 6-line Letters 12
THE HERALD	Boston Herald
36 Point 7-line Letters 8	36 Point 7-line Letters 10
THE HERAL	Boston Hera
42 Point 8-line Letters 6	42 Point 8-line Letters 9
THE HER	Boston Her
48 Point 9-line Letters 6	48 Point 9-line Letters 7
THE HER	Boston H

Contains letters more difficult to read.

Cheltenham Italic

Size of Type and Number of Letters in Line	Size of Type and Number of Letters in Line
6 Point 2-line Letters 26 THE HERALD REACHES THE HOMES OF	6 Point 2-line Letters 42 Boston Herald Has the Largest Home Circulation in
8 Point 2-line Letters 22 THE HERALD REACHES THE HOM	8 Point 2-line Letters 36 Boston Herald Has the Largest Home Circula
10 Point 2-line Letters 18 THE HERALD REACHES TH	10 Point 2-line Letters 28 Boston Herald Has the Largest Hom
12 Point 3-line Letters 16 THE HERALD REACHES	12 Point 3-line Letters 25 Boston Herald Has the Largest
14 Point 3-line Letters 12 THE HERALD REA	14 Point 3-line Letters 20 Boston Herald Has the La
18 Point 4-line Letters 10 THE HERALD R	18 Point 4-line Letters 16 Boston Herald Has t
24 Point 5-line Letters 8 THE HERAL	24 Point 5-line Letters 13 Boston Herald H
30 Point 6-line Letters 7 THEHERA	30 Point 6-line Letters 12 Boston Herald
36 Point 7-line Letters 6 THEHER	36 Point 7-line Letters 9 Boston Her
42 Point 8-line Letters 5 THEHE	42 Point 8-line Letters 8 BostonHe
48 Point 9-line Letters 4 THE H	48 Point 9-line Letters 7 Boston S

Useful with regular face.

Cheltenham Bold Italic

Size of Type and Number of Letters in Line	Size of Type and Number of Letters in Line
6 Point 2-line Letters 26	6 Point 2-line Letters 35
THE HERALD REACHES THE HOMES OF	*Boston Herald Has the Largest Home Circul*
8 Point 2-line Letters 22	8 Point 2-line Letters 29
THE HERALD REACHES THE HOM	*Boston Herald Has the Largest Home*
10 Point 2-line Letters 17	10 Point 2-line Letters 23
THE HERALD REACHES T	*Boston Herald Has the Large*
12 Point 3-line Letters 15	12 Point 3-line Letters 21
THE HERALD REACHE	*Boston Herald Has the Lar*
14 Point 3-line Letters 13	14 Point 3-line Letters 18
THE HERALD REAC	*Boston Herald Has the*
18 Point 4-line Letters 10	18 Point 4-line Letters 14
THE HERALD R	*Boston Herald Ha*
24 Point 5-line Letters 8	24 Point 5-line Letters 12
THE HERAL	*Boston Herald*
30 Point 6-line Letters 7	30 Point 6-line Letters 9
THE HERL	*Boston Her*
36 Point 7-line Letters 8	36 Point 7-line Letters 7
THE HEI	*Boston H*
42 Point 8-line Letters 5	42 Point 8-line Letters 7
THE HI	*Boston S*
48 Point 9-line Letters 4	48 Point 9-line Letters 6
THE H	*Boston*

Useful with regular face.

Body Type

18 Point Cheltenham

MR. LEESON'S OPINION.

"In the common or popular sense, and rightly, The Herald is generally regarded as the leading newspaper of this section, and that is to say the *leading newspaper of New England.* ¶ It leads by virtue of the high

18 Point Caslon Old Style

MR. LEESON'S OPINION.

"In the common or popular sense, and rightly, The Herald is generally regarded as the leading newspaper of this section, and that is to say the *leading newspaper of New England.*

18 Point Cardinal

MR. LEESON'S OPINION.

"In the common or popular sense, and rightly, The Herald is generally regarded as the leading newspaper of this section, and that is to say the leading newspaper of New England.

Type face in common use.

Body Type

10 Point Cardinal

MR. LEESON'S OPINION.

"In the common or popular sense, and rightly, The Herald is generally regarded as the leading newspaper of this section, and that is to say the leading newspaper of New England.

It leads by virtue of the high tone of its editorial page, combined with the newsiness and fulness of its news. It tells fully and promptly of all occurrences of interest in every quarter of the globe, while covering at the same time with full and accurate reports all events of consequence in our own neighborhood. In the complete-

10 Point Richelieu

MR. LEESON'S OPINION.

"In the common or popular sense, and rightly, The Herald is generally regarded as the leading newspaper of this section, and that is to say the leading newspaper of New England.

It leads by virtue of the high tone of its editorial page, combined with the newsiness and fulness of its news. It tells fully and promptly of all occurrences of interest in every quarter of the globe, while covering at the same time with full and accurate reports all events of consequence in our own neighborhood. In the complete-

10 Point Cheltenham

MR. LEESON'S OPINION.

"In the common or popular sense, and rightly, The Herald is generally regarded as the leading newspaper of this section, and that is to say the *leading newspaper of New England.*

"It leads by virtue of the high tone of its editorial page, combined with the newsiness and fulness of its news. It tells fully and promptly of all occurrences of interest in every quarter of the globe, while covering at the same time with full and accurate reports all events of consequence in our own neighborhood. In the completeness of its service in these respects nobody disputes the

10 Point Cheltenham Italic

MR. LEESON'S OPINION.

"In the common or popular sense, and rightly, The Herald is generally regarded as the leading newspaper of this section, and that is to say the leading newspaper of New England.

"It leads by virtue of the high tone of its editorial page, combined with the newsiness and fulness of its news. It tells fully and promptly of all occurrances of interest in every quarter of the globe, while covering at the same time with full and accurate reports all events of consequence in our own neighborhood. In the completeness of its service in these respects nobody

Type size in common use.

YD 05746

UNIVERSITY OF CALIFORNIA LIBRARY